

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

SOLAR FUNDING II LIMITED
(incorporated with limited liability in Jersey)

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

This Programme Memorandum replaces and supersedes the Programme Memorandum dated 22 April 2013 as supplemented by the Supplement dated 19 June 2013 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**") Solar Funding I Limited (the "**First Issuer**") and Solar Funding II Limited (the "**Second Issuer**") and any other company which accedes to the Programme as an issuer (each an "**Additional Issuer**") and, together with the First Issuer and the Second 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. The aggregate nominal amount of all Notes 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 30 April 2014 between the First Issuer, the Second 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 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 constitutes 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 the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) (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 (the "**Irish Stock Exchange**") 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 the Irish Stock Exchange. 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 the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**") or which are to be offered to the public in any Member State of the European Economic Area.

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 the Irish Stock Exchange, be required to produce an issuer disclosure annex which, together with this Programme Memorandum will comprise a base prospectus for such Additional Issuer.

Each Issue Memorandum shall be a drawdown prospectus which, together with this Programme Memorandum shall constitute a "**Prospectus**" for the purposes of the Prospectus Directive. 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 The Royal Bank of Scotland 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**"). The Issuers may also issue unlisted Notes. Issues of Series of Notes (or Tranches thereof) issued by the First Issuer and the Second Issuer will not be rated.

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.

Prospective investors should be aware of the risk factors involved in investing in the Notes (see "Risk Factors" on page 16).

Arranger
THE ROYAL BANK OF SCOTLAND PLC

Dealer
THE ROYAL BANK OF SCOTLAND PLC

30 April 2014

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 be offered or sold in or into the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) 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 the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. Notes in bearer form are subject to US tax law requirements. Prospective purchasers in the United States of Notes that are qualified institutional buyers (as defined below) are hereby notified that the seller of such Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Section 4(2) thereof or Rule 144A under the Securities Act. None of the Issuers will be registered under the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). None of the Issuers is required to register under the Investment Company Act in reliance on Section 3(c)(7) thereof which, in general, excludes from the definition of an investment company any issuer the outstanding securities of which are owned exclusively by persons who are "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act and the rules and regulations thereunder) and which has not made and does not propose to make a public offering of its securities. 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 any federal or state securities law or regulation. 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 depository 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 "**Reg S Global Certificate**"), without interest coupons. Unless otherwise provided in the applicable Issue Memorandum, Notes of each Series or Tranche which are to be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) ("**Restricted Notes**") will be issued in registered form and shall be sold (1) to Eligible Investors (as defined below) or other Dealers (as defined below) as placement agents (provided that any such institution must also be an Eligible Investor pursuant to Section 4(2) under the Securities Act ("**Section 4(2)**") or (2) to The Royal Bank of Scotland plc or other Dealers, either individually or severally as a group represented by The Royal Bank of Scotland plc, for resale to persons who are Eligible Investors pursuant to Rule 144A under the Securities Act ("**Rule 144A**"), and in the case of both (1) and (2) above, subject to the transfer restrictions described in, "Subscription and Sale and Transfer Restrictions". "**Eligible Investors**" are persons who are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**"), but excluding therefrom: (i) QIBs which are broker-dealers which own and invest on a discretionary basis less than U.S.\$25,000,000 in "securities", as such term is defined under Rule 144A, (ii) partnerships, common trust funds, special trusts, pension funds, retirement plans or other entities in which the partners, beneficiaries or participants, as the case may be, may designate the particular investments to be made or the allocation thereof, (iii) entities that were formed, re-formed or

recapitalised for the specific purpose of investing in the Notes, (iv) any investment company excepted from the Investment Company Act under Section 3(c)(1) or 3(c)(7) thereof and formed before 30th April, 1996, which has not received consent from its beneficial owners with respect to the treatment of such entity as a qualified purchaser in the manner required by Section 2(a)(51)(C) of the Investment Company Act and the rules thereunder and (v) any entity that will have invested more than 40 per cent. of its assets in securities of the relevant Issuer subsequent to any purchase of Notes of the relevant Issuer. Further, in the case of any Note sold to an investor in the manner referred to in (1) above, and unless otherwise agreed with the relevant Issuer, the purchaser will be required to have executed an investment letter with respect thereto, substantially in the form attached and forming part of this Programme Memorandum as Appendix 1, and to make the representations and warranties included in such letter. Restricted Notes will, unless otherwise provided with respect to a particular Series or Tranche of Notes, initially be represented by one or more definitive certificates (each a "**Definitive Certificate**"). In certain circumstances Restricted Notes may alternatively initially be represented by a global certificate (each a "**Restricted Global Certificate**") and together with any Reg S Global Certificate, each a "**Global Certificate**"), without interest coupons. Global Certificates will on their Issue Date either 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.

This Programme Memorandum (the "Solar I Programme Memorandum") (which includes Appendix 1 hereto), with the exception of the information contained on pages 94 to 98 relating to Solar Funding II Limited, comprises a base prospectus in relation to Solar Funding I Limited.

This Programme Memorandum (the "Solar II Programme Memorandum") (which includes Appendix 1 hereto), with the exception of the information contained on pages 91 to 93 relating to Solar Funding I Limited, comprises a base prospectus for Solar Funding II Limited.

The First Issuer accepts responsibility for the information contained in the Solar I Programme Memorandum, and to the best of the knowledge and belief of the First Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in the Solar I Programme Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Second Issuer accepts responsibility for the information contained in the Solar II Programme Memorandum, and to the best of the knowledge and belief of the Second Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in the Solar II Programme Memorandum 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 to the best of the knowledge and belief of the Additional Issuer (which has taken all reasonable care to ensure that such is the case), that such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

In addition to each Issuer, The Royal Bank of Scotland plc accepts responsibility for the information contained in the section entitled "*Description of The Royal Bank of Scotland plc*". To the best of the knowledge and belief of The Royal Bank of Scotland 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 The Royal Bank of Scotland plc*" and the section entitled "*Book-entry Clearance System*" in this Programme Memorandum (the "Third Party Information"). As far as each Issuer is aware and is able to ascertain, this information has been accurately reproduced and 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. Third Party Information has been accurately reproduced from information published by any Third Party. So far as the Issuers are aware, and are able to ascertain from information published by any Third Party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No person has been authorised to give any information or to make any representation other than those contained in this Programme Memorandum and in each Issue Memorandum relating to a Series or Tranche of Notes in connection with the issue or sale of such 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 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.

The distribution of this Programme Memorandum and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Programme 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 applicable 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 applicable 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 Issuer, 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 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 separately verified the information contained or incorporated by reference in this Programme Memorandum and accordingly none of the Arranger, the Dealers, any Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty or the Trustee makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained or incorporated by reference in this Programme Memorandum, any Supplemental Programme Memorandum or 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 therefor. None of the Arranger, the Dealers, 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.

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 US Securities and Exchange Commission or any United States federal or 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) or Jersey (in the case of Notes issued by any Issuer incorporated in Jersey), 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).

A copy of this Programme Memorandum has been delivered to the Jersey registrar of companies in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002 and he has given, and has not withdrawn, his consent to its circulation together with any Issue Memorandum setting out the commercial information contemplated by the Procedures Memorandum (as defined in the section "Conditions of the Notes"), any appropriate risk factors in relation to the Notes and any additional information that is required by any relevant stock exchange in accordance with its rules for the listing of the Notes, of which a copy, signed by the directors of the Second Issuer, shall have been delivered to the Jersey registrar at the relevant time. The applicable Issue Memorandum shall state whether it is to be delivered to the Jersey Registrar of Companies.

The Jersey Financial Services Commission (the "**Commission**") has given and has not withdrawn its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of the Notes by the Issuers incorporated in Jersey at the date hereof. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

It must be distinctly understood that, in giving this consent, neither the Jersey registrar of companies nor the Commission takes any responsibility for the financial soundness of the Second Issuer or for the correctness of any statements made or opinions expressed with regard to it.

The Notes are only suitable for acquisition by a person who: (i) has a substantial asset base that would enable him or her to sustain any loss that might be incurred as a result of acquiring Notes and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring Notes. Neither the Programme nor any service providers as agents or other entities associated with the Programme are subject to the provisions of the Financial Services (Jersey) Law 1998 in their entirety. By acquiring a Note each investor acknowledges the foregoing.

The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the Commission as suitable investments for any other type of investor.

Any individual intending to invest in any investment described in this document should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

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.

NOTICE TO NEW HAMPSHIRE RESIDENTS

TO NEW HAMPSHIRE RESIDENTS: Neither the fact that a registration statement or an application for a licence has been filed under Chapter RSA 421-B of the New Hampshire Revised Statutes Annotated ("**RSA**") with the State of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the state of New Hampshire constitutes a finding by the Secretary of State of New Hampshire that any document filed under RSA 421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer or client any representation inconsistent with the provisions of this paragraph.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with the sale of the Notes, the relevant Issuer will be required pursuant to the Trust Deed to furnish, upon request of a holder of a Note, to such holder and a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request, such Issuer is not a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. All information to be made available by the relevant Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the office of the Transfer Agent in Luxembourg.

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 Series of which such Notes form part at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Agent (or persons acting on behalf of the Stabilising Agent) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue

date of the relevant 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.

TABLE OF CONTENTS

| | Page |
|--|-------------|
| Overview of Programme | 11 |
| Risk Factors | 16 |
| Programme Description | 22 |
| Documents Deemed to be Incorporated by Reference | 36 |
| Conditions of the Notes | 37 |
| Form of Notes | 84 |
| Use of Proceeds | 90 |
| Description of Solar Funding I Limited | 91 |
| Description of Solar Funding II Limited | 94 |
| Description of the Royal Bank of Scotland PLC | 99 |
| Taxation | 100 |
| Book-Entry Clearance Systems | 106 |
| Subscription and Sale and Transfer Restrictions | 110 |
| General Information | 122 |
| Appendix 1 Form of Investment Letter | 125 |

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.

Issuers: Solar Funding I Limited, incorporated under the laws of the Cayman Islands, Solar Funding II Limited, incorporated under the laws of Jersey, and any other company which accedes to the Programme as an Issuer.

Description: US\$10,000,000,000 Secured Asset-Backed Medium Term Note 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 outstanding at any one time.

Use of Proceeds: The net proceeds from each issue of Notes will be used to purchase the Underlying Assets securing the Notes, and/or to pay for or enter into any Credit Support Document, Related Agreement or other Transaction Document in connection with such Notes, and to pay expenses in connection with the administration of the Issuer of such Notes.

Risk Factors: There are certain factors that may affect the relevant Issuer's ability to fulfil its obligations under Notes issued under the Programme. Some of these factors relate to the suitability of the Notes as an investment for prospective purchasers, the credit risk associated with the Notes, the limited recourse nature of the Notes, withholding tax and the security given in relation to charged underlying assets.

Directors of Solar Funding I Limited: Cleveland Stewart, *Vice President, MaplesFS Limited*
Phillip Hinds, *Senior Vice President, MaplesFS Limited*
Laura Chisholm, *Vice President, MaplesFS Limited*

Directors of Solar Funding II Limited: Helen Clare Grant, *Business Manager*
Lyndsey Pinnington, *Business Manager*
Stephanie Hopkins, *Business Manager*
Christopher Ruark, *Business Manager*

Financial Information and Solar Funding I Limited since the date of its

Auditors

incorporation and as at the date of this Programme Memorandum has not prepared any audited financial statements. Solar Funding I Limited is not required by Cayman Islands law, and does not intend, to publish any financial statements. The Trust Deed requires the First 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.

Solar Funding II Limited has prepared audited financial statements for the periods ended 31 October 2011, and 31 October 2012. These financial statements have been audited by Deloitte & Touche, a member of the Association of Chartered Certified Accountants. The Trust Deed requires the Second 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.

Business Overview:

Solar Funding I Limited has not carried out any trading activities since its incorporation, save for the entry into of the First Issuer Loan Agreement (as defined below) relating to the Loan (as defined below), and the issue of the Notes, and the activities related to its establishment and its finance structure. The objects of the First Issuer are currently unrestricted. The First Issuer has the corporate power and capacity to issue the Notes, to acquire the Underlying Assets 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 by the First Issuer remains outstanding, the First Issuer 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, issuing the Notes, 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 August, 1999).

The First Issuer 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 Notes and assets derived therefrom and bank balances to be used to pay the First Issuer's costs in relation to the Programme and each Series of Notes. The First Issuer has no subsidiaries. The First Issuer has no employees.

Solar Funding II Limited has not carried out any trading activities since its incorporation, save for the entry into of the Second Issuer Loan Agreement (as defined below) relating to the Second Issuer Loan (as defined below), and the issue of the Notes, and the activities related to its establishment and its finance structure. The objects of the Second Issuer are currently unrestricted pursuant to Article 18 of the Companies (Jersey) Law 1991 which provides that "the doctrine of *ultra vires* in its application to companies is abolished and accordingly the capacity of a company is not limited by anything in its memorandum or articles or by an act of its members." The Second Issuer has the corporate power and capacity to issue Notes, to acquire Underlying Assets 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 by the Second Issuer remains outstanding, the Second Issuer 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, issuing the Notes, 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 May, 2002).

The Second Issuer has, and will have, no net assets other than the sum of £10 representing the issued and paid-up share capital, such fees (as agreed) per issue payable to it in connection with the issue of Notes and assets derived therefrom and bank balances to be used to pay the Second Issuer's costs in relation to the Programme and each Series of Notes. The Second Issuer has no subsidiaries. The Second Issuer has no employees.

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| Capitalisation | and | Major | Solar Funding I Limited has an authorised share capital of US\$50,000 divided into 50,000 ordinary |
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Shareholders:

shares of US\$1.00 each ("**Solar Funding I Shares**"), of which 1,000 Solar 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 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 the First Issuer 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 the First Issuer as it may be requested in writing from time to time by the Trustee (having been indemnified as above).

Solar Funding II Limited has an authorised share capital of £10,000 divided into 10,000 ordinary shares of £1.00 each ("**Solar Funding II Shares**"), of which 10 Solar Funding II Shares are issued and fully paid and are beneficially owned by Maurant & Co. Trustees Limited as the Jersey Share Trustee which holds such shares on trust for charitable purposes under the terms of an instrument of trust but, while any borrowings by the Second Issuer are outstanding, shall not dispose of or otherwise deal with any of such shares and shall not act in any way so as to prejudice or which may be inconsistent with the performance by the Second Issuer of its obligations under any agreements or arrangements to which it may be party.

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.

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").

Listing:

Unless otherwise specified in the applicable Issue Memorandum, application will be made to the Irish Stock Exchange for the relevant Notes to be admitted to the Official List of the Irish Stock Exchange and for such Notes to be admitted to trading on the regulated

market of the Irish Stock Exchange. Unlisted Notes may also be issued.

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, the relevant Issuer shall not be required to gross up any payments in respect of the Notes under Cayman Islands law, Jersey law, Irish law or Luxembourg law as applicable. However, if such taxes are required, the relevant Issuer shall use all reasonable endeavours (subject to the consent of the Trustee and any Instructing Creditor and the fulfilment of certain other Conditions) to arrange for the substitution of its obligations by a company incorporated in another jurisdiction or to change 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.

Costs of the Programme:

There are certain costs incurred under the Programme by Solar Funding I Limited and Solar Funding II Limited. These costs relate to the establishment costs of the Programme, ongoing expenses and issue expenses under the Programme.

RISK FACTORS

Each Issuer considers the risks disclosed in this section and in the relevant Issue memorandum to be material risk factors, about which prospective Noteholders should be aware. Potential Noteholders should also 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 Trustee, the Asset Manager (if any), the Share Trustees or the Custodian (or any affiliate of any such company).

The applicable Issue Memorandum in connection with a Series of Notes will also contain further paragraphs headed "Risk Factors" and/or "Other Investment Considerations" and particular attention is drawn to those sections, if applicable, as those paragraphs may contain risk factors material to the specific securities under a Series of Notes.

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. **The relevant Issuer is a special purpose vehicle** The relevant Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The relevant Issuer has covenanted not to have any subsidiaries or employees, enter into any reconstruction, amalgamation, merger or consolidation or issue any shares (other than such shares as are in issue and referred to in the description of the relevant Issuer in this document). As such, the relevant Issuer has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of Notes or entry into other obligations from time to time and any Charged Property and any other assets on which Notes or other obligations are secured.
4. **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 relevant Charged Property. The relevant Issuer will have no other assets or sources of revenue available for payment of any of its obligations under the Notes. No assurance can be made that the proceeds available for and allocated to the repayment of the Notes at any particular time will be sufficient to cover all amounts that would otherwise be due and payable in respect of the Notes.

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.

5. **Taxation**

- (a) There is no obligation on either 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.

6. **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 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 without the consent of the Trustee.

- 7. **Third Party Information** The Noteholder acknowledges and agrees that the Issuer has 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.

8. **Possibility of US withholding tax on payments**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, and US Treasury regulations promulgated thereunder that took effect on 28 January 2013, as amended from time to time (together "**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such investor is a U.S. person or should otherwise be treated as holding a United States Account of the relevant Issuer (a "**Recalcitrant Holder**").

FATCA implementation is being phased in from 1 July 2014 for payments from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes issued or materially modified on or after the "grandfathering date", which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term 'foreign passthru payment' are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a "Reporting FI" that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a

"FATCA Withholding") from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The US IRS announced in Notice 2013-43 its intention to provide a list of jurisdictions that will be treated as having in effect an IGA, even though that IGA may not have entered into force as of 1 July 2014. The United States has entered into agreements based largely on the Model 1 IGA with both the Cayman Islands and Jersey.

Neither Issuer is currently expected to be required to make any FATCA Withholdings from the payments it makes. There can be no assurance, however, that the relevant Issuer would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the relevant Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Notes, neither the relevant Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

In the case of Notes which are in global form and held within a clearing system, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the relevant Issuer or any paying agent for such clearing system, given that each of the entities in the payment chain between the relevant Issuer and the clearing system is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. Notes may be issued in definitive form and therefore not held, or may be exchanged for Notes in definitive form and therefore may cease to be held, through a clearing system. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA Withholding. It may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose the custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The relevant Issuer's obligations under the Notes are discharged once it has paid the depositary for the clearing system (as legal owner of the Notes) and the

relevant Issuer has therefore no responsibility for any amount thereafter transmitted through the hands of the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO EACH ISSUER AND THE NOTES IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCE.

9. 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 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.

In particular, investors should 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 Supplemental Information Memorandum). The relevant Issuer expects to enter into entity-level agreements, which do not amend or modify the terms of any Notes, with the relevant Counterparty or third parties in order to facilitate compliance with EMIR, and investors should be aware that the relevant Issuer may enter into such or similar agreements without Trustee consent, or, alternatively, that the Trustee may consent to such or similar agreements without Noteholder consent.

Finally, investors should be aware that the relevant Issuer expects that it will 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. It is expected that this obligation will apply from early 2014.

PROGRAMME DESCRIPTION

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.

Issuers: Solar Funding I Limited, incorporated under the laws of the Cayman Islands, Solar Funding II Limited, incorporated under the laws of Jersey, and any other company which accedes to the Programme as an Issuer.

Description: US\$10,000,000,000 Secured Asset-Backed Medium Term Note 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 outstanding at any one time.

Arranger: The Royal Bank of Scotland 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: The Royal Bank of Scotland plc.

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 "**Permanent Dealers**" are to The Royal Bank of Scotland 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 "**Dealers**" 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 "**Subscription Agreement**").

Trustee: Deutsche Trustee Company Limited (the "**Trustee**").

Issuing and Paying Agent: Deutsche Bank AG, London Branch (the "**Agent**").

Custodian: Deutsche Bank AG, London Branch.

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| Registrar: | Deutsche Bank Luxembourg S.A. or, in the case of a Series of Notes including Restricted Notes, Deutsche Bank Trust Company Americas (each a " Registrar "). |
| 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>"Fungible Tranches" 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>"Prioritised Tranches" 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 and Receiptholders) 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 "Tranches" and each a "Tranche").</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 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). 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.

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 €100,000 (or its equivalent in any other applicable currency) and, in the case of Restricted Notes must always rely on Section 3(c)(7) of the United States Investment Company Act of 1940, and accordingly will be in such denominations as are, in the judgement of the relevant Issuer and the relevant Dealers, necessary to help protect against purchase of such Notes by U.S. persons (as defined in Regulation S under the Securities Act) who are not Eligible Investors.

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 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 relevant 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, Receiptholders 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 Trust Deed, the relevant Issuer shall grant 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 the relevant 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 after the date on which any Note 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, 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 (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 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 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:

An asset manager (each an "**Asset Manager**") 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 "**Asset Management Agreement**") 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.

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.

Accounts:

The Account Bank appointed pursuant to the Agency Agreement shall be The Royal Bank of Scotland 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 The Royal Bank of Scotland plc in a separate ledger (each an "**Account**") 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.

Fixed Rate Notes:

Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Issue Memorandum.

Floating Rate Notes:

Floating Rate Notes will bear interest set separately for each Tranche or Series by reference to LIBOR, LIBID, LIMEAN, EURO-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.

Zero Coupon Notes:

Zero Coupon Notes will not bear interest and may be issued at a discount to their principal amount.

Interest Rates and Interest Periods:

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.

Variable Redemption Amount and Variable Coupon Amount Notes:

The Issue Memorandum issued in respect of each issue of Variable Redemption Amount Notes and Variable Coupon Amount 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:

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:

- (a) the Underlying Assets on which such Notes are secured become repayable prior to their stated maturity;
- (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);
- (c) any Related Agreement is terminated in whole in certain circumstances;
- (d) any Repurchase Agreement is terminated in whole in certain circumstances;
- (e) a Credit Event (as defined in the applicable Issue Memorandum) occurs; or
- (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.

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 upon terms that such borrowed monies are not secured on the Charged Property for any existing outstanding 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.

Cross Default:

None.

Rating:

The Programme is not rated.

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, the relevant Issuer shall not be required to gross up any payments in respect of the Notes under Cayman Islands law, Jersey law, Irish law or Luxembourg law as applicable. However, if such taxes are required, the relevant Issuer shall use all reasonable endeavours (subject to the consent of the Trustee and any Instructing Creditor and the fulfilment of certain other Conditions) to arrange for the substitution of its obligations by a company incorporated in another jurisdiction or to change 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 will be governed by English law.

Listing:

Unless otherwise specified in the applicable Issue Memorandum, application will be made to the Irish Stock Exchange for the relevant Notes to be admitted to the Official List and to the Irish Stock Exchange for such Notes to be admitted to trading on the regulated market of the Irish Stock Exchange. Unlisted Notes may also be issued.

London Authorised Adviser:

The Royal Bank of Scotland plc.

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" below.

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 First Issuer

On the date of establishment of the Programme, National Westminster Bank Plc made a loan (the "**Loan**") to the First Issuer pursuant to a loan agreement dated 2nd August, 1999 between the First Issuer and National Westminster Bank Plc. The Loan was novated to The Royal Bank of Scotland plc (the "**Lender**" which expression shall include its permitted successors and assigns) pursuant to a novation agreement between the First Issuer, the Lender and National Westminster Bank Plc dated 17th December, 2001 (as amended, supplemented or novated, the "**First Issuer Loan Agreement**").

The First Issuer Loan Agreement will terminate and any amounts outstanding thereunder will become repayable on the date on which there are no further Notes issued by the First Issuer outstanding under the Programme or such later date as may be agreed between the First Issuer and the Lender.

Costs in respect of the Second Issuer

On 23rd January, 2003, the Lender made a loan (the "**Second Issuer Loan**") to the Second Issuer pursuant to a loan agreement dated 13th December, 2002 between the Second Issuer and the Lender (as amended, supplemented or novated, the "**Second Issuer Loan Agreement**").

The Second Issuer Loan Agreement will terminate and any amounts outstanding thereunder will become repayable on the date on which there are no further Notes issued by the Second Issuer outstanding under the Programme or such later date as may be agreed between the Second Issuer and the Lender.

Issuers' Ongoing Expenses In addition to any amounts outstanding under the First Issuer Loan Agreement in respect of the First Issuer and under the Second Issuer Loan Agreement in respect of the Second Issuer 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 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.

DOCUMENTS DEEMED TO BE INCORPORATED BY REFERENCE

The financial statements and auditor's report of the Second Issuer in respect of the period ending on 31 October 2011 and 31 October 2012 shall be deemed to be incorporated in, and to form part of, this Programme Memorandum.

The financial statements of the Second Issuer for the period ending 31 October 2011 are available at the following website:

http://www.ise.ie/debt_documents/Solar%20II%202011%20Financials_ee92b695-351d-49a2-b1b2-b62201996998.PDF

The financial statements of the Second Issuer for the period ending 31 October 2012 are available at the following website:

http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_96f5933d-1659-4192-8002-405f4e3f88b8.PDF

For the purposes of issuance of Fungible Tranches of Notes only, the section "Conditions of the Notes" contained in each of the Programme Memorandum dated 22 April 2013 as supplemented by the Supplement dated 19 June 2013 (pages 35 to 80), and the Programme Memorandum dated 26 March 2012 (pages 33 to 78), relating to the First Issuer and/or the Second Issuer and dated prior to the date of this Programme Memorandum shall be deemed to be incorporated in, and to form part of, this Programme Memorandum. The non-incorporated parts of the documents incorporated by reference are either not relevant for the investor or covered elsewhere in this Programme Memorandum.

The Programme Memorandum dated 26 March 2012 is available at the following website:

http://www.ise.ie/debt_documents/Base%20Prospectus_daf2433e-272c-4cb2-bc41-ef50ce8d66f5.PDF

The Programme Memorandum dated 22 April 2013 as supplemented by the Supplement dated 19 June 2013 is available at the following website:

[http://www.ise.ie/debt_documents/US\\$10000000000%20Secured%20Asset-Backed%20Medium%20Term%20Note%20Programme_d444a170-c44c-11f3-111b-nn31a91111b6.pdf](http://www.ise.ie/debt_documents/US$10000000000%20Secured%20Asset-Backed%20Medium%20Term%20Note%20Programme_d444a170-c44c-11f3-111b-nn31a91111b6.pdf)

Any document incorporated by reference in to the above documents that is not expressly incorporated by reference into this Programme Memorandum does not form part of this Programme Memorandum.

Each Issuer will, in connection with Notes admitted to the Official List and to trading on the regulated market of the Irish Stock Exchange, 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 the Notes on the regulated market of Irish Stock Exchange at any time during the duration of the Programme.

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 30 April 2014 between Solar Funding I Limited (the "**First Issuer**"), Solar Funding II Limited (the "**Second Issuer**") and Deutsche 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 30 April 2014 between the First Issuer, the Second Issuer, the Trustee, Deutsche Bank AG, London Branch as issuing and paying agent (the "**Agent**"), Deutsche Bank Luxembourg S.A. or, in the case of Notes forming part of a Series which includes Restricted Notes, Deutsche Bank Trust Company Americas as registrar (the "**Registrar**"), Deutsche Bank AG, London Branch as exchange agent (the "**Exchange Agent**"), The Royal Bank of Scotland plc as account bank, 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 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 30 April 2014 between the First Issuer, the Second Issuer, 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, the Account Bank and the Exchange Agent 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 the entity appointed as Account Bank pursuant to the Agency Agreement (being The Royal Bank of Scotland plc), or such other bank or financial institution as may be substituted for the Account Bank from time to time in accordance with the terms of the Agency Agreement and with the consent of the Trustee and, in relation to any relevant Series of Notes, each Instructing Creditor.

"Administration Agreement" means the Administration Agreement dated 29th July, 1999 between the First Issuer and the Cayman Administrator.

"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) the Cayman Administrator pursuant to the Administration Agreement;
- (d) the Jersey Manager pursuant to the Management Agreements;

- (e) the Jersey Corporate Administrator pursuant to the Corporate Administration Agreement;
- (f) any other person in respect of any governmental fee or charge; and
- (g) 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(g)(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(g) (*Early Redemption Amounts*).

"Arranger" means The Royal Bank of Scotland 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 Maples Finance Limited as administrator under the Administration Agreement or any successor administrator of the First Issuer.

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

"Certificate" means a registered certificate representing Registered Notes.

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

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme.

"Corporate Administration Agreement" means the Corporate Administration Agreement dated 12th July, 2002 between the Second Issuer and the Jersey Corporate Administrator;

"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 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; and
- (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:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

Where:

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

"Y₂" 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;

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

"M₂" 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;

"D₁" 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 D₁ will be 30; and

"D₂" 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 D₁ is greater than 29, in which case D₂ 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 (TARGET 2) 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(g) (*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.

"Eligible Investors" means persons who are QIBs, but excluding therefrom: (i) QIBs which are broker-dealers which own and invest on a discretionary basis less than U.S.\$25,000,000 in "securities", as such term is defined under Rule 144A, (ii) partnerships, common trust funds, special trusts, pension funds, retirement plans or other entities in which the partners, beneficiaries or participants, as the case may be, may designate the particular investments to be made or the allocation thereof, (iii) entities that were formed, re-formed or recapitalised for the specific purpose of investing in the Notes, (iv) any investment company excepted

from the Investment Company Act under Section 3(c)(1) or 3(c)(7) thereof and formed before 30th April, 1996, which has not received consent from its beneficial owners with respect to the treatment of such entity as a qualified purchaser in the manner required by Section 2(a)(51)(C) of the Investment Company Act and the rules thereunder and (v) any entity that will have invested more than 40 per cent. of its assets in securities of the relevant Issuer subsequent to any purchase of Notes of the relevant Issuer.

"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.

"Expense Reserve Account" means the ledger maintained by the Account Bank on behalf of the Issuers, identification number SOL1 (in the case of Solar Funding I Limited) and SOL2 (in the case of Solar Funding II Limited), 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.

"First Issuer Loan Agreement" means the loan agreement dated 2nd August, 1999 between the First Issuer and National Westminster Bank Plc which was novated to the Lender pursuant to a Novation Agreement dated 17th December, 2001 between the First Issuer, the Lender and National Westminster Bank Plc, as the same may be supplemented, amended or novated from time to time.

"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.

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

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

"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 Clause 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 Corporate Administrator" means Sanne Corporate Services Limited (formerly known as State Street Capital Markets Services (Jersey) Limited) (as novated from State Street (Jersey) Limited (formerly known as Maurant & Co. Limited)) as administrator under the Corporate Administration Agreement or any successor administrator of the Second Issuer.

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

"Jersey Share Trustee" in respect of the Second Issuer means Maurant & Co. Trustees Limited as trustee of the Solar Funding II Trust.

"Lender" means The Royal Bank of Scotland plc as lender under each of the First Issuer Loan Agreement and the Second Issuer 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(e) (*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.

"Luxembourg Stock Exchange" means the Societe de la Bourse de Luxembourg.

"Management Agreement" means in the case of the First Issuer a management agreement dated 2nd August, 1999 (as amended on 23rd May, 2002) between the First Issuer, the Trustee and the Jersey Manager, and in the case of the Second Issuer, a management agreement dated 12th July, 2002 between the Second Issuer, the Trustee and the Jersey Manager, 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.

"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).

"Official List" means the official list of the Irish Stock Exchange.

"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, 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

(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

(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 and Receiptholders) 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 and Receiptholders 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.

"Procedures Memorandum" means the document dated 30 April 2014 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.

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

"Rate Multiplier" means the rate multiplier (if any) 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.

"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 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.

"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.

"Restricted Notes" means Registered Notes offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) pursuant to an exemption from the registration requirements of the Securities Act and the Investment Company Act.

"Rule 144A" means Rule 144A under the Securities Act.

"Second Issuer Loan Agreement" means the loan agreement dated 13th December, 2002 between the Second Issuer and the Lender, as the same may be supplemented, amended or novated from time to time.

"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 Jersey 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 the Irish Stock Exchange, 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 First Issuer under the Administration Agreement;
- (b) if applicable, the Jersey Manager in respect of the obligations of the relevant Issuer under the relevant Management Agreement;
- (c) if applicable, the Jersey Corporate Administrator in respect of the obligations of the Second Issuer under the Corporate Administration Agreement;
- (d) the Lender in respect of the obligations of (i) the First Issuer under the First Issuer Loan Agreement or (ii) the Second Issuer under the Second Issuer 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.

"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.

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, including restrictions imposed on the transfer of Registered Notes originally sold within the United States or to, or for the account or benefit of, U.S. persons. In particular, each Issuer reserves the right not to register the transfer of any Registered Note to a Holder within the United States or to a U.S. person whom each Issuer, in its sole discretion is not satisfied is an Eligible Investor. In addition, if specified to be applicable in the Issue Memorandum, Condition 8(f) (*Forced Transfer or Redemption of Registered Notes*) could require a forced transfer or redemption of Registered Notes on the terms set out in that Condition. 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 in the location of the specified office of the relevant Transfer Agent of 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 the 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(e) (*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 First Issuer's obligations under the First 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 (SOL1) and an assignment by way of security of the First Issuer's rights against the Account Bank in respect thereof. The security over the First Issuer's ledger in the Expense Reserve Account (SOL1) shall not become enforceable until the date on which amounts outstanding under the First Issuer Loan Agreement become due and repayable.

Pursuant to the Principal Trust Deed, the Second Issuer's obligations under the Second 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 (SOL2) and an assignment by way of security of the Second Issuer's rights against the Account Bank in respect thereof. The security over the Second Issuer's ledger in the Expense Reserve Account (SOL2) shall not become enforceable until the date on which amounts outstanding under the Second Issuer 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 29th July, 1999 between the First Issuer and the Cayman Share Trustee (the "**Declaration of Trust**") the Cayman Share Trustee holds all the issued shares of the First Issuer on trust ultimately for a specified charity or charities but, while any Notes issued by the First 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 First Issuer, 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), may act generally in relation to such shares and the affairs of the First 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 an Instrument of Trust dated 13th May, 2002 between the Second Issuer and the Jersey Share Trustee (the "**Instrument of Trust**"), the Jersey Share Trustee holds all of the issued shares of the Second Issuer on trust for charitable purposes but, while any borrowings by the Second Issuer are outstanding, the Jersey Share Trustee shall not dispose of or otherwise deal with any of such shares and shall not act in any way so as to prejudice or which may be inconsistent with the performance by the Second Issuer of its obligations under any agreements or arrangements to which it may be party.

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 relevant Issuer to pay any amounts due and payable in respect of the relevant Notes, 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. If the Liquidation Proceeds realised upon enforcement of the security constituted by the Trust Deed in accordance with Condition 8(e) (*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(e) (*Realisation of Charged Property upon Redemption of Notes*), Condition 8(f) (*Forced Transfer or Redemption of Registered Notes*) or Condition 8(m) (*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 Series of Notes 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, Receiptholders 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 after the latest date on which any Note 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, 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 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 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 (other than pursuant to the terms and conditions of such Notes or any agreement entered into in respect thereof).

(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. 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.

(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, (iii) 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 to 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. In respect of any direction given to the Issuer contemplated above, the Issuer shall not be required to take any action that it determines, acting reasonably, would give rise to it incurring any material liability.

(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 payments of principal, interest or other sums 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 made by an obligor of the relevant Purchased Collateral and received by it (each an **"Income Payment"**) 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 payments of principal, interest, dividends or other distributions 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 Official List and to trading on the regulated market of the Irish Stock Exchange and/or a listing of the Listed Notes on any other 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;
- (ii) engage in any business other than:
 - (A) acquiring and holding the Charged Property in relation to each 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 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 Series of Notes issued by it;

- (D) issuing further Series of Notes or borrowing monies evidenced by a loan agreement upon terms that such borrowed monies shall not be secured on (i) the Charged Property for any outstanding Series of Notes or (ii) 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;
- (iii) purchase any Notes, save in accordance with Condition 8(m) (*Purchases*), 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 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 save to the extent permitted in accordance with paragraph (c) (*Further Issues and Additional Indebtedness*);
- (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; and
- (xii) contravene such other restrictions as may be set out in the Issue Memorandum and the Supplemental Trust Deed.

(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, Jersey 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.

(f) **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(h) (*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(h) (*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(e) (*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*), in either case 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) **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) (*Redemption for Taxation Reasons*) or Condition 8(h) (*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(e), of any Charged Property the subject of the security interests constituted pursuant to the Trust Deed.

(f) **Forced Transfer or Redemption of Registered Notes**

This paragraph shall only apply to the Notes if, and to the extent, indicated in the Issue Memorandum. The Notes originally sold within the United States or to US residents (each a "**US Holder**") for the purposes of the Investment Company Act can only be held by persons who are Eligible Investors. If the relevant Issuer determines at any time that it is not satisfied that a US Holder of Notes is an Eligible Investor, then the relevant Issuer may direct such US Holder to sell or transfer its Notes to a non-US Holder or to an Eligible Investor within the United States within 10 Business Days following receipt of such notice from the Issuer (the "**Forced Transfer Period**"). If such Holder fails to sell or transfer its Notes within the Forced Transfer Period, the Notes held by such Holder shall be redeemed by the relevant Issuer as soon as is practicable at the lower of (i) the price which the relevant Issuer determines in its absolute discretion represents the economic value of the Notes at such time and (ii) the proceeds of realisation by the relevant Issuer of a proportionate amount of the Underlying Assets (equal to the proportion which the Notes to be so redeemed represent of all the Notes of such Series which are outstanding at such time), in each case less all costs and expenses incurred in connection with such sale including, without limitation, all taxes and duties payable in connection with such sale and all costs incurred upon termination of any Related Agreement and/or Credit Support Document to the extent required as a result of the sale of such Underlying Assets

and/or redemption of such Notes. Any realisation of the Underlying Assets by the relevant Issuer for the purposes of (ii) above shall be subject to the prior written consent of the Trustee and any applicable Instructing Creditor. Each of the relevant Issuer and the Trustee reserves the right to require any Holder of Notes or any transferee acquiring Notes from a US Holder pursuant to this Condition to submit a written certification substantiating that it is an Eligible Investor or a non-US Holder. Each of the relevant Issuer and the Trustee has the right to assume that the Holder of the Notes from whom such a certification is requested is neither an Eligible Investor nor a non-US Holder if such Holder fails to submit any such requested written certification on a timely basis. Failure by the relevant Issuer to make any payment of principal or interest payable upon redemption of any Notes pursuant to this Condition as a result of any shortfall in the proceeds of liquidation or realisation of the applicable portion of Charged Property shall not constitute an Event of Default.

(g) **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) (*Redemption for Taxation Reasons*), or Condition 8(h) (*Option 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.

(h) **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. 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(e) (*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.

(i) **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.

(j) **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.

(k) 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(g)(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 (k) 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*).

(l) 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, as the case may be, or vice versa in accordance with the terms of such Related Agreement or Repurchase Agreement.

(m) Purchases

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.

(n) 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 (m) 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.

(o) **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. Notes specified under this Condition 8(o)(i) (*Exchange*) will not be admitted to the Official List under this Programme.

(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(o)(i) 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 (in each case without prejudice to the provisions of Condition 10 (*Taxation*)).

(e) Appointment of Agents

The Agent, the Paying Agents, the Registrar, the Transfer Agents, the Calculation Agent, the Exchange Agent and the Custodian initially appointed by the First Issuer and the Second Issuer and their respective specified offices are listed below. The Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent 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 the Agent, any Paying Agent, the Registrar, any Transfer Agent 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 Paying Agent and, in relation to Registered Notes, a Transfer Agent having a specified office in a European city approved by the Trustee, (v) a Custodian and (vi) an Exchange Agent in respect of any Registered Notes which are cleared through The Depository Trust Company. For as long as the Notes are admitted to the Official List of the Irish Stock Exchange and to trading on the regulated market of the Irish Stock Exchange, a Paying Agent will be maintained in Ireland and, if definitive Certificates are issued and outstanding in relation to Registered Notes, a Transfer Agent will also 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 Agent, the Paying Agents, the Registrar, the Transfer Agents, the Calculation Agent, the Exchange Agent or the Account Bank. 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 unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured 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, unmatured 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 unmatured 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, Jersey, Ireland or

Luxembourg 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, neither 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 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) (*Events of Default*).

Subject as provided below, if either of the Issuers, on the occasion of the next payment due in respect of the Notes, would be required by Cayman Islands, Jersey, Irish or Luxembourg 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 arrange the substitution of a company incorporated in another jurisdiction approved by the Trustee and each Instructing Creditor as the principal obligor or to change (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.

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

- (a) by reason of any Noteholder's connection with the Cayman Islands, Jersey, Ireland or Luxembourg (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) by reason of an imposition on a payment to an individual required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26th - 27th November, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) by reason of a payment made by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union,

the requirement to use all reasonable endeavours to substitute any of the Issuers as principal obligor and/or change its residence for taxation purposes 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 a day after the latest date on which any Note 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 Notes (other than pursuant to the terms and conditions

of such Notes or any agreement entered into in respect thereof).

14. MEETINGS OF NOTEHOLDERS, MODIFICATIONS, WAIVER AND SUBSTITUTION

(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, 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 or any other Transaction Document 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, 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.

(d) Prioritised Tranches

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

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"** and/or **"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*) 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 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.

19. GOVERNING LAW AND JURISDICTION

(a) Governing Law

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons, and any non-contractual rights and obligations relating thereto, 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 First Issuer has, in the Trust Deed, appointed Maples and Calder at their offices for the time being at 11th 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. The Second Issuer has, in the Trust Deed, appointed State Street Administration Services (UK) Limited at their offices for the time being at 1st Floor, Phoenix House, 18 King William Street, London EC4N 7BP 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 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).

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.

"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 depository 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 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.

"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:
 - (i) 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; and

- (ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange.

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 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" or "Subscription and Sale and Transfer Restrictions - Rule 144A/Section 4(2)".

Upon the transfer, exchange or replacement of a Definitive Certificate issued in exchange for an interest in a Restricted Global Certificate bearing the legend referred to under "Subscription and Sale and Transfer Restrictions - Rule 144A/Section 4(2)", or upon specific request for removal of the legend on a Definitive Certificate, the relevant Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the relevant Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by such Issuer, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and/or the Investment Company Act. With respect to the registration of transfer of any Certificates in definitive form which bear such legend as aforesaid, the Registrar will register the transfer of any such Certificates in definitive form if the transferor, has certified (in the form of transfer on such Certificates in definitive form) to the effect that such transfer is in compliance with such legend.

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. 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. 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.
- (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).

- (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 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.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used to purchase the Underlying Assets securing the Notes, and/or to pay for or enter into any Credit Support Document, Related Agreement or other Transaction Document in connection with such Notes, and to pay expenses in connection with the administration of the Issuer of such Notes.

DESCRIPTION OF SOLAR FUNDING I LIMITED

General

Solar Funding I Limited is a limited liability company which was incorporated on 23rd January, 1998 under the name NATS E-1 Ltd. for an indefinite period under the Companies Law of the Cayman Islands under registered number CR-79190 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: +1 345 945 7099). Solar Funding I Limited has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The First Issuer changed its name by resolution of its shareholders on 28th January, 1998 to NATS E-I Limited and by resolution of its shareholders on 19th May, 1999 to Solar Funding I Limited. The authorised share capital of the First Issuer is US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each ("**Solar Funding I Shares**"), of which 1,000 Solar 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 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 the First Issuer 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 the First Issuer 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 Solar Funding I Shares.

Business

The First Issuer has entered into an administration agreement dated 29th July, 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, the First Issuer. The First Issuer has no employees.

The First Issuer has not carried out any trading activities since its incorporation, save for the entry into of the First Issuer Loan Agreement relating to the Loan, and the issue of the Notes, and the activities related to its establishment and its finance structure. The objects of the First Issuer are currently unrestricted. The First Issuer has the corporate power and capacity to issue the Notes, to acquire the Underlying Assets 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 by the First Issuer remains outstanding, the First Issuer 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, issuing the Notes, 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 August, 1999).

The First Issuer 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 Notes and assets derived therefrom and bank balances to be used to pay the First Issuer's costs in relation to the Programme and each Series of Notes. The First Issuer has no subsidiaries.

The Notes issued by the First Issuer are obligations of the First Issuer 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 the First Issuer pursuant to the declaration of trust referred to above, providing employees to act as signatories of the First Issuer, preparing and maintaining such books and records in the Cayman Islands as may be required in the normal course of the First Issuer's business and in order to comply with the laws and regulations of the Cayman Islands, dealing with correspondence relating to the business of the First Issuer, providing the services of two Directors of the First Issuer in the Cayman Islands, providing a Company Secretary for the First Issuer 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 the First Issuer and, in particular, facilities for the meetings of the Directors of the First Issuer from time to time. The Cayman Administrator also provides registered office facilities to the First Issuer.

The First Issuer may terminate the appointment of the Cayman Administrator by giving notice to the Cayman Administrator in accordance with the terms of the Administration Agreement 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 the First Issuer.

Deutsche Bank International Limited (the "**Jersey Manager**") whose registered office is at P.O. 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 the First Issuer. Such services will be provided subject to the terms of a Management Agreement dated 2nd August, 1999 (as amended on 23rd May, 2002) between the First Issuer, 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.

Pursuant to an Advisory Agreement dated 2nd August, 1999 (as amended and restated from time to time) between the Jersey Manager and The Royal Bank of Scotland 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 the First Issuer.

The First Issuer 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 executed by the First Issuer, the Trustee and the Jersey Manager, on the insolvency, bankruptcy or liquidation of the Jersey Manager, or its failure to make any payment under the relevant Management Agreement or at the option of the First Issuer 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 the First Issuer. Any such retirement is only effective on a replacement

Jersey Manager acceptable to the First Issuer being appointed on similar terms to the Management Agreement. The Advisory Agreement will terminate forthwith if either party goes into liquidation or commits material breach of the Advisory Agreement or if the relevant Management Agreement is terminated or the Jersey Manager ceases to exist and no successor Jersey 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 the First Issuer, all of whom are employees of MaplesFS Limited as at the date of this Programme Memorandum are as follows:

| Name | Occupation |
|-------------------|---|
| Cleveland Stewart | Vice President, MaplesFS Limited |
| Phillip Hinds | Senior Vice President, MaplesFS Limited |
| Laura Chisholm | 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 at the date of this Programme Memorandum, no audited financial statements of the First Issuer have been prepared.

DESCRIPTION OF SOLAR FUNDING II LIMITED

General

Solar Funding II Limited is a limited liability company which was incorporated on 13th May, 2002 for an indefinite period under the Companies (Jersey) Law 1991, as amended, under registered number 83117 in Jersey and its registered office is at 13 Castle Street, St. Helier, Jersey JE4 5UT (telephone number 0044 1534 722 787). Solar Funding II Limited has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The Second Issuer changed its status from that of a private company to a public company by special resolution of its shareholders to amend its Memorandum of Association passed on 13th December, 2002. The authorised share capital of the Second Issuer is £10,000 divided into 10,000 ordinary shares of £1.00 each ("**Solar Funding II Shares**"), of which 10 Solar Funding II Shares are issued and fully paid and are beneficially owned by Pavilion Trustees Limited (formerly Mourant & Co. Trustees Limited) as the Jersey Share Trustee which holds such shares on trust for charitable purposes under the terms of an instrument of trust but, while any borrowings by the Second Issuer are outstanding, shall not dispose of or otherwise deal with any of such shares and shall not act in any way so as to prejudice or which may be inconsistent with the performance by the Second Issuer of its obligations under any agreements or arrangements to which it may be party. The Jersey Share Trustee has no beneficial interest in and derives no benefit, other than its fees for acting as Jersey Share Trustee from, its holding of Solar Funding II Shares.

Sale and re-structuring of Jersey Corporate Administrator

With effect from 1 June 2013 State Street (Jersey) Limited ("**State Street**") sold its capital markets corporate administration business to the Sanne Group ("**Sanne Group**") (the "**Transfer**"). As part of the Transfer, a pre-sale reorganisation took place whereby State Street transferred its rights and obligations under its client contracts to State Street Capital Markets Services (Jersey) Limited ("**State Street Capital Markets**"), a wholly owned subsidiary of State Street. On 1 June 2013 State Street transferred the entire issued share capital of State Street Capital Markets and State Street Administration Services (Ireland) Limited (a wholly owned subsidiary of State Street) to Sanne Capital Markets Limited, a company incorporated in Jersey, Channel Islands and which is part of the Sanne Group. Subsequently on 3 June 2013, State Street Capital Markets changed its name to become Sanne Corporate Services Limited. Additionally, State Street Administration Services (UK) Limited and State Street (Guernsey) Limited transferred their respective rights and obligations under certain additional client contracts to Sanne Group with effect from 1 June 2013. As part of the Transfer, it is planned that the trusteeship of various trusts relating to the business, including the trust relating to the Second Issuer, will be transferred to a member of Sanne Group in due course.

Business

The Second Issuer has entered into a corporate administration agreement dated 12th July, 2002 with Mourant & Co. Limited (which became State Street (Jersey) Limited on 1 June 2010, the corporate administration agreement novated to State Street Capital Markets Services (Jersey) Limited, which became Sanne Corporate Services Limited on 3 June 2013) (the "**Jersey Corporate Administrator**") pursuant to which the Jersey Corporate Administrator will furnish administrative services to, and provide the directors of, the Second Issuer. The Jersey Corporate Administrator's usual business activities involve the provision of management, administration, secretarial and related services to a broad range of investment and other vehicles. The Second Issuer has no employees.

The Second Issuer has not carried out any trading activities since its incorporation, save for the entry into of the Second Issuer Loan Agreement (as defined below) relating to the Second Issuer Loan (as defined below), and the issue of the Notes, and the activities related

to its establishment and its finance structure. The objects of the Second Issuer are currently unrestricted pursuant to Article 18 of the Companies (Jersey) Law 1991 which provides that "the doctrine of *ultra vires* in its application to companies is abolished and accordingly the capacity of a company is not limited by anything in its memorandum or articles or by an act of its members." The Second Issuer has the corporate power and capacity to issue Notes, to acquire Underlying Assets 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 by the Second Issuer remains outstanding, the Second Issuer 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, issuing the Notes, 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 May, 2002).

The Second Issuer has, and will have, no net assets other than the sum of £10 representing the issued and paid-up share capital, such fees (as agreed) per issue payable to it in connection with the issue of Notes and assets derived therefrom and bank balances to be used to pay the Second Issuer's costs in relation to the Programme and each Series of Notes. The Second Issuer has no subsidiaries.

The Notes issued by the Second Issuer are obligations of the Second Issuer alone and not of the Jersey Corporate Administrator, the Jersey Share Trustee, the Jersey Manager, the Advisor 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 Jersey Corporate Administrator include preparing and maintaining such books and records in Jersey as may be required in the normal course of the Second Issuer's business and in order to comply with the laws of Jersey, dealing with correspondence relating to the business of the Second Issuer, providing the services of at least three Directors of the Second Issuer in Jersey, providing a Company Secretary for the Second Issuer and making available telephone, facsimile and post office box facilities and facilities for the meetings of the Directors of the Second Issuer from time to time.

The Second Issuer may terminate the appointment of the Jersey Corporate Administrator by giving 90 days' prior notice to the Jersey Corporate Administrator in accordance with the terms of the Corporate Administration Agreement and may terminate the appointment of the Jersey Corporate Administrator immediately upon the liquidation of the Jersey Corporate Administrator, if the Jersey Corporate Administrator is declared *en désastre* or commits any act or omission indicative of insolvency, in the event that the Jersey Corporate Administrator commits an unremedied breach of its obligations under the Corporate Administration Agreement or the Jersey Corporate Administrator ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts. The Jersey Corporate Administrator may retire from its appointment at any time upon giving not less than 90 days' prior notice. Any such retirement shall only be effective upon the appointment of a replacement administrator acceptable to the Jersey Financial Services Commission on terms substantially similar to the Corporate Administration Agreement.

Deutsche Bank International Limited (the "**Jersey Manager**") whose registered office is at P.O. 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 the Second Issuer. Such services will be provided subject to the terms of a Management Agreement dated 12th July, 2002 between the Second Issuer, 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/or delivery of all documents on behalf of the Second Issuer, appointing agents, implementing management information systems, providing treasury/cash management systems, other banking and investment services and signatories for the Second Issuer's banking investment account and supervising the preparation of profit and loss accounts, balance sheets and cash flow statements for the Second Issuer.

Pursuant to an Advisory Agreement dated 12th July, 2002 between the Jersey Manager and The Royal Bank of Scotland 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 responsibility of the Advisor include providing banking, treasury and cash management facilities, advising on management information systems, appointing agents on behalf of the Jersey Manager, providing signatures of the Jersey Manager, undertaking bank reconciliations and assisting in any activities that the Jersey Manager may undertake for the Second Issuer.

The Second Issuer 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 executed by the Second Issuer, the Trustee and the Jersey Manager, on 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 the Second Issuer 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 the Second Issuer. Any such retirement is only effective on a replacement Jersey Manager acceptable to the Second Issuer being appointed on similar terms to the Management Agreement. The Advisory Agreement will terminate forthwith if either party goes into liquidation or commits material breach of the Advisory Agreement or if the relevant Management Agreement is terminated or the Jersey Manager ceases to act as manager under the Management Agreement and no successor Jersey Manager is appointed. Otherwise the Jersey Manager may terminate the appointment of the Advisor by giving not 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.

Capitalisation and Indebtedness

The following table sets out the unaudited capitalisation and indebtedness of the Second Issuer as at the date of this Programme Memorandum:

Shareholders' Funds

Share Capital

Authorised (10,000 Ordinary Shares of £1.00): £10,000

Issued (10 Ordinary Shares of £1.00 – fully paid): £10

Indebtedness

Series 1 EUR 14,370,000 Secured Asset-Backed Principal Protected Notes due 2011

Series No 2 EUR 23,984,000 Secured Asset-Backed Instalment Notes due 2033

Series 3 EUR 16,332,000 Secured Asset-Backed Instalment Notes due 2034

Series 4 EUR 25,670,000 Secured Asset-Backed Instalment Notes due 2034

Series 6 EUR 10,876,000 Secured Asset-Backed Instalment Notes due 2035

Series 7 EUR 32,915,000 Secured Asset-Backed Instalment Notes due 2035

Series 8 EUR 33,005,000 Secured Asset-Backed Instalment Notes due 2035

Series 9 EUR 11,805,000 Secured Asset-Backed Instalment Notes due 2035

Series 10 EUR 17,463,358 Secured Asset-Backed Instalment Notes due 2035

Series 11 EUR 25,000,000 Secured Asset-Backed Variable Rate Notes due 2020

Series 14 EUR 14,463,000 Secured Asset-Backed Instalment Notes due 2014

SERIES NO 2007-15 Up to EUR 3,000,000,000 CELTS Leveraged MBS Note due 2012

Series 16 US\$ 10,000,000 Secured First-To-Default Credit-Linked Notes due 2015

SERIES NO 17 EUR 25,000,000 Secured Asset-Backed Fixed Rate Notes due 2020

SERIES NO 18 EUR 25,000,000 Secured Asset-Backed Floating Rate Notes due 2020

Series 19 EUR 3,000,000 Secured Asset-Backed Variable Rate Notes due 2027

£250,000 Unsecured Loan

None of the indebtedness described in the table above is guaranteed.

Save as disclosed in the table above, the Second Issuer has no other loan capital outstanding or loan capital created but unissued, has no term loans and no other borrowings or indebtedness in the nature of borrowings nor any contingent liabilities or guarantees and has not allotted shares which have not been issued.

Board of Management

The Directors of the Second Issuer are as follows as at the date of this Programme Memorandum:

| Name | Occupation |
|--------------------|------------------|
| Lyndsey Pinnington | Business Manager |
| Helen Clare Grant | Business Manager |

Christopher Ruark
Stephanie Hopkins

Business Manager
Business Manager

The business address of each of the Directors is 13 Castle Street, St. Helier, Jersey JE4 5UT.

Each of the Directors is an employee of a subsidiary of Sanne.

Auditors

The auditors of the Second Issuer are Deloitte & Touche, a member of the Association of Chartered Certified Accountants. Deloitte and Touche is a registered auditor in the United Kingdom and Republic of Ireland. The address of the auditors is as follows:

Deloitte & Touche LLP
Stonecutter Court
1 Stonecutter Street
London
EC4A 4TR

Financial Statements

The Second Issuer has prepared audited financial statements for the periods ended 31 October 2011 and 31 October 2012. These financial statements are incorporated by reference into this Programme Memorandum. Copies of these will be available from the specified office of the Issuing and Paying Agents in London, as described on page 131.

DESCRIPTION OF THE ROYAL BANK OF SCOTLAND PLC

General

The Royal Bank of Scotland plc (the “**Bank**”) is a wholly-owned subsidiary of The Royal Bank of Scotland Group plc (“**RBSG**” or “**the holding company**”), a large global banking and financial services group. The “**Group**” comprises the Bank and its subsidiary and associated undertakings. The Group has a diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers. “**RBS Group**” comprises the holding company and its subsidiary and associated undertakings.

Assets, owners’ equity and capital ratios

RBS Group had total assets of £1,028 billion and owners’ equity of £59 billion as at 31 December 2013. RBS Group’s capital ratios, as at 31 December 2013, were a total capital ratio of 16.5 per cent., a Core Tier 1 capital ratio of 10.9 per cent. and a Tier 1 capital ratio of 13.1 per cent.

The Group had total assets of £1,020 billion and owners’ equity of £49 billion as at 31 December 2013. As at 31 December 2013, the Group’s capital ratios were a total capital ratio of 17.4 per cent., a Core Tier 1 capital ratio of 9.8 per cent. and a Tier 1 capital ratio of 11.4 per cent.

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

Under Cayman Islands law at the date of this Programme Memorandum:

- (a) payments of principal and interest in respect of the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any holder of a Note, Coupon or Receipt and gains derived from the sales of Notes, Coupons or Receipts will not be subject to the Cayman Islands tax. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax; and
- (b) the holder of any Note, Coupon or Receipt in bearer form (or the legal personal representative of such holder) whose Note, Coupon or Receipt is brought into the Cayman Islands may in certain circumstances be liable to pay stamp duty imposed under the laws of the Cayman Islands in respect of such Note, Coupon or Receipt. Certificates evidencing a Registered Note, to which title is not transferable by delivery, will not attract the Cayman Islands stamp duty. However, an instrument transferring title to a Registered Note, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

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

**"The Tax Concessions Law
(1995 Revision)
Undertaking as to Tax Concessions**

In accordance with Section 6 of the Tax Concessions Law (1995 Revision), the Governor in Council undertakes with NATS E-I Limited (now renamed Solar 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; or
 - (ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1995 Revision).

These concessions shall be for a period of twenty years from the 10th day of March, 1998.

Governor in Council".

Jersey Taxation

Income Tax

(a) The Second Issuer is liable to be charged to tax at a rate of 0% under Schedule D under the Income Tax (Jersey) Law 1961, as amended (the "**Income Tax Law**") in respect of (i) the income or profits of any trade carried on by the Second Issuer in Jersey or elsewhere, (ii) any interest of money, whether yearly or otherwise, or other annual payment paid to the Second Issuer, whether such payment is made within or out of Jersey, (iii) dividends and other distributions of a company regarded as resident in Jersey paid to the Second Issuer, (iv) income arising to the Second Issuer from securities out of Jersey and (v) any other income of the Second Issuer that is not derived from the ownership or disposal of land in Jersey. It is not expected that the Second Issuer will be in receipt of income charged to tax under any Schedule under the Income Tax Law other than Schedule D.

(b) The Second Issuer is not entitled to make any deduction or withholding for or on account of Jersey income tax from any interest or other payments on the Notes. The Holders of Notes (other than residents of Jersey) are not subject to any tax in Jersey in respect of the acquisition, ownership, sale, exchange or other disposition of the Notes.

Stamp Duties

No stamp duties are payable in Jersey on the acquisition, ownership, exchange, sale or other disposition inter vivos of Notes. Stamp duty of up to 0.75% is payable on the grant of probate or letters of administration in Jersey in respect of a deceased natural person (i) who died domiciled in Jersey, on the value of the entire estate (including any Securities or interests therein) and (ii) otherwise, on the value of so much of the estate (including any Securities or interests therein), if any, as is situated in Jersey.

EU Savings Directive

As part of an agreement reached in connection with the EU directive on the taxation of savings income in the form of interest payments, and in line with steps taken by other relevant third countries, Jersey introduced with effect from 01 July 2005 a retention tax system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU Member State by a paying agent established in Jersey. The retention tax system applies for a transitional period prior to the implementation of a system of automatic communication to EU Member States of information regarding such payments. During this transitional period, such an individual beneficial owner resident in an EU Member State will be entitled to request a paying agent not to retain tax from such payments but instead to apply a system by which the details of such payments are communicated to the tax authorities of the EU Member State in which the beneficial owner is resident (and subject to the transitional arrangements described above).

The retention tax system in Jersey is implemented by means of bilateral agreements with each of the EU Member States, the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005 and Guidance Notes issued by the Policy & Resources Committee of the States of Jersey. Based on these provisions and our understanding of the current practice of the Jersey tax authorities, (and subject to the transitional arrangements described above) the Second Issuer would not be obliged to levy retention tax in Jersey

under these provisions in respect of interest payments made by it to a paying agent established outside Jersey.

In August 2013, the Council of Ministers of the States of Jersey announced that it would ask the States of Jersey to make Regulations that will make it mandatory, from 1 January 2015, for Jersey to automatically exchange tax information for EU bilateral savings tax agreements, and that will repeal the present retention tax provisions.

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 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 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**") 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, the Irish Stock Exchange is a "recognised stock exchange" for these purposes.

In addition, the Issuers are entitled to make payments of UK Interest on the Notes without withholding or deduction for or on account of United Kingdom income tax if, at the time the relevant payments are made, the relevant Issuer reasonably believes that, broadly, the person beneficially entitled to the income is a company within the charge to United Kingdom corporation tax in respect of the UK Interest or falls within a list in section 936(2) of the Act of specified tax-exempt entities and bodies (unless HMRC has given a direction that this exemption shall not apply, having reasonable grounds for believing the conditions for the exemption will not be met). Furthermore, 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.

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.

HMRC has powers in certain circumstances to require persons paying or crediting interest in the ordinary course of its business to provide information to HMRC in respect of the interest paid or credited and the persons to whom the interest was so paid or credited. In certain circumstances, HMRC may be entitled to exchange such information with the tax authorities of other jurisdictions. Interest for this purpose includes any amount to which a person holding a deeply discounted security is entitled on redemption of that security.

EU Savings Directive

Under European Council Directive 2003/48/EC on the taxation of savings income (the "Directive") Member States are required to provide to the tax authorities of another Member State details of payments of interest (and similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries and territories). The rate of withholding tax in those jurisdictions is 35%. In April 2013, the Luxembourg government announced its intention to end its transitional period and move to automatic exchange of information under the Directive with effect from 1 January 2015.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

Certain other jurisdictions, including Switzerland, have enacted equivalent legislation which imposes a withholding tax in substantially the same circumstances as envisaged by the Directive or on information providing regime. Holders of the Notes who are individuals should note that should any payment in respect of the Notes be subject to withholding imposed as a consequences of the Directive or under the equivalent legislation, no additional amounts would be payable by the Issuers pursuant to the provisions of Condition 10 of the Conditions of the Notes.

The Foreign Account Tax Compliance Act of the United States

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE

TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, and US Treasury regulations promulgated thereunder that took effect on 28 January 2013, as amended from time to time (together "**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such investor is a U.S. person or should otherwise be treated as holding a United States Account of the relevant Issuer (a "**Recalcitrant Holder**").

FATCA implementation is being phased in from 1 July 2014 for payments from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes issued or materially modified on or after the "grandfathering date", which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term 'foreign passthru payment' are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a "Reporting FI" that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a "**FATCA Withholding**") from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The US IRS announced in Notice 2013-43 its intention to provide a list of jurisdictions that will be treated as having in effect an IGA, even though that IGA may not have entered into force as of 1 July 2014. The United States has entered into agreements based largely on the Model 1 IGA with both the Cayman Islands and Jersey.

Neither Issuer is currently expected to be required to make any FATCA Withholdings from the payments it makes. There can be no assurance, however, that the relevant Issuer would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the relevant Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or

otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Notes, neither the relevant Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

In the case of Notes which are in global form and held within a clearing system, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the relevant Issuer or any paying agent for such clearing system, given that each of the entities in the payment chain between the relevant Issuer and the clearing system is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. Notes may be issued in definitive form and therefore not held, or may be exchanged for Notes in definitive form and therefore may cease to be held, through a clearing system. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA Withholding. It may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose the custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The relevant Issuer's obligations under the Notes are discharged once it has paid the depositary for the clearing system (as legal owner of the Notes) and the relevant Issuer has therefore no responsibility for any amount thereafter transmitted through the hands of the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO EACH ISSUER AND THE NOTES IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCE.

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 no 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

DTC

DTC has advised the Issuers that it is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("**Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf

of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the relevant Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or any of the Issuers, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuers, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription and Sale and Transfer Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

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 its 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.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuers may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositories of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuers expect DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuers also expect that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or any of the Issuers. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuers.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge

such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Subscription and Sale and Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Agent and any custodian ("**Custodian**") with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

Subject to the terms and on the conditions contained in the Dealer Agreement dated 30 April 2014 among the First Issuer, the Second Issuer and The Royal Bank of Scotland plc (the "**Arranger**" and the "**Dealer**") (the "**Dealer Agreement**"), the Notes will be offered on a continuous basis by the Issuers to The Royal Bank of Scotland 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 ending 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.

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, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons 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) except that Instruments represented by a Restricted Global Certificate or a definitive Restricted Certificate may be offered to persons which are Eligible Investors (1) in a private placement pursuant to Section 4(2) of the Securities Act or (2) in reliance on Rule 144A. The Issuer has not registered nor will register under the Investment Company Act. Each purchaser of Restricted Notes shall be deemed by its purchase of such Notes to represent and warrant to the relevant Issuer and each Dealer (i) that it is an Eligible Investor and (ii) otherwise as set forth in the form of legend under "Rule 144A/Section 4(2)" below. Terms used in this paragraph (save as otherwise provided) have the meanings given to them by Regulation S.

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, U.S. 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, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

In addition, until 40 days after the completion of the distribution of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any Dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

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 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).

Regulation S Global Certificates will bear a legend to the following effect:

THE NOTES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. 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 THE NOTES REPRESENTED BY THIS GLOBAL NOTE IS SUBJECT TO CERTAIN CONDITIONS AND RESTRICTIONS. BY PURCHASING OR OTHERWISE ACQUIRING THE NOTES REPRESENTED BY THIS GLOBAL NOTE, THE HOLDER THEREOF ACKNOWLEDGES THAT THE NOTES REPRESENTED BY THIS GLOBAL NOTE ARE "RESTRICTED NOTES" THAT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND THAT THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER AGREES FOR THE BENEFIT OF THE ISSUER THAT, IF IT SHOULD DECIDE TO DISPOSE OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE PRIOR TO THE DATE WHICH IS 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF THE NOTES ("**DISTRIBUTION COMPLIANCE PERIOD**") REPRESENTED BY THIS GLOBAL NOTE, THE NOTES REPRESENTED BY THIS GLOBAL NOTE MAY NOT BE OFFERED OR SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON. FOLLOWING THE EXPIRY OF THE DISTRIBUTION COMPLIANCE PERIOD, THE NOTES REPRESENTED BY THIS GLOBAL NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND THE INVESTMENT COMPANY ACT (1) TO PERSONS WHOM THE SELLER REASONABLY BELIEVES TO BE QUALIFIED INSTITUTIONAL BUYERS ("**QIBs**"), AS DEFINED IN RULE 144A ("**RULE 144A**") UNDER THE SECURITIES ACT THAT QUALIFY AS ELIGIBLE INVESTORS (AS DEFINED BELOW), OR (2) OTHERWISE TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT; PROVIDED THAT, IN THE CASE OF A TRANSFER PURSUANT TO CLAUSE (1), A PROSPECTIVE PURCHASER OR TRANSFEREE OF THE NOTES (OTHER THAN THE DEALER OR ONE OF ITS AFFILIATES) MAY BE REQUIRED (I) TO EXECUTE AND DELIVER TO THE ISSUER AND THE REGISTRAR AN INVESTMENT LETTER AND (II) TO EXCHANGE THE PORTION OF THIS GLOBAL NOTE TO BE SO TRANSFERRED FOR AN INTEREST IN A RESTRICTED GLOBAL NOTE OR AN INDIVIDUAL CERTIFICATE IN DEFINITIVE REGISTERED FORM (AS SET OUT IN THE APPLICABLE ISSUE MEMORANDUM) TO BE REGISTERED IN THE NAME OF THE TRANSFEREE.

"**ELIGIBLE INVESTORS**", AS USED HEREIN, MEANS PERSONS WHO ARE QIBs, BUT EXCLUDING THEREFROM (I) QIBs WHICH ARE BROKER-DEALERS WHICH OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25,000,000 IN "SECURITIES", AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) PARTNERSHIPS, COMMON TRUST FUNDS, SPECIAL TRUSTS, PENSION FUNDS, RETIREMENT PLANS OR OTHER ENTITIES IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) ENTITIES THAT WERE FORMED, RE-FORMED OR RECAPITALISED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE NOTES, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT UNDER SECTION 3(c)(1) or 3(c)(7) THEREOF AND FORMED BEFORE 30TH APRIL, 1996, WHICH HAS NOT RECEIVED CONSENT FROM ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER (AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT) IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER, AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40 PER CENT. OF ITS ASSETS IN SECURITIES OF THE ISSUER SUBSEQUENT TO ANY PURCHASE OF NOTES OF THE ISSUER.

IF ANY INTEREST IN THIS GLOBAL NOTE IS HELD IN VIOLATION OF THE APPLICABLE TRANSFER RESTRICTIONS, THE ISSUER SHALL HAVE THE RIGHT AT ANY TIME, AT THE EXPENSE AND RISK OF THE HOLDER OF ANY NOTES HELD BY OR ON BEHALF OF A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME IT PURCHASES SUCH NOTES TO (I) REDEEM SUCH NOTES, IN WHOLE OR IN PART, TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT OR (II) REQUIRE SUCH HOLDER TO SELL SUCH NOTES TO AN ELIGIBLE INVESTOR OR TO A NON-U.S. PERSON OUTSIDE THE UNITED STATES TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT, AS FURTHER PROVIDED FOR IN THE TERMS AND CONDITIONS REFERRED TO BELOW. ANY TRANSFER OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE TO A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME OF SUCH TRANSFER SHALL BE DEEMED TO BE VOID AB INITIO AND OF NO LEGAL EFFECT WHATSOEVER, ANY SUCH TRANSFEREE SHALL BE DEEMED NOT TO BE THE HOLDER OF SUCH NOTES FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO THE RECEIPT OF INTEREST ON SUCH NOTES, AND SUCH TRANSFEREE SHALL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN SUCH NOTES.

EACH HOLDER OF THIS GLOBAL NOTE OR AN INTEREST HEREIN ACKNOWLEDGES THAT IT IS PURCHASING THE NOTES REPRESENTED BY THIS GLOBAL NOTE OR SUCH INTEREST FOR A BONA FIDE BUSINESS PURPOSE AND ITS INVESTMENT IN SUCH NOTES OR INTEREST IS CONSISTENT WITH ITS OVERALL INVESTMENT STRATEGY.

THE HOLDER ACKNOWLEDGES THAT THE PURPOSE OF THE FOREGOING LIMITATION IS, IN PART, TO ENSURE THAT THE ISSUER IS NOT REQUIRED TO REGISTER UNDER THE INVESTMENT COMPANY ACT.

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS "**OFFSHORE TRANSACTION**" AND "**U.S. PERSON**" HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT.

Rule 144A/Section 4(2) The Dealer Agreement provides that a Dealer or Dealers (each of whom will be an Eligible Investor) nominated by the Issuer may arrange for the placing of Restricted Notes in the United States to Eligible Investors either (1) in a private placement pursuant to Section 4(2) under the Securities Act or (2) in reliance on Rule 144A. In the case of any Note sold to an Eligible Investor as described in (1) above, and unless the Issuer otherwise agrees, such purchaser will be required to have executed an investment letter with respect thereto, substantially in the form attached hereto as Appendix 1, and to make the representations and warranties included in such letter. Each purchaser of Restricted Notes will be deemed to have represented and agreed, and if specified in the applicable Issue Memorandum may be required to execute an investment letter in which it will represent, acknowledge and agree, as follows:

(a) (i) it is an Eligible Investor; (ii) it is acquiring such Restricted Notes for its own account or for the account of an Eligible Investor; (iii) it is aware that the sale of such Restricted Notes to it is being made in reliance on Rule 144A or Section 4(2) under the Securities Act; (iv) it was not formed for the purpose of investing in the Issuer; (v) it, and each account for which it is acting, will purchase and hold and will only transfer the Notes in an amount not less than an Authorised Denomination of the Notes (as specified in the applicable Issue Memorandum); and (vi) it will provide to any subsequent transferee of its Restricted Notes notice of the transfer restrictions set forth herein and on such Notes.

(b) It understands that the Restricted Notes purchased by it are being offered and may be transferred only in transactions not involving any public offering in the United States

within the meaning of the Securities Act. It understands that the Restricted Notes have not been and will not be registered under the Securities Act and that the Issuer thereof has not registered and will not register under the Investment Company Act. It agrees, for the benefit of the Issuer, the Dealers and the Dealers' affiliates, that, if in the future it decides to resell, pledge or otherwise transfer such Restricted Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Restricted Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act, the Investment Company Act and other applicable laws of the states, territories and possessions of the United States governing the offer and sale of securities and only (i) to a non-U.S. person in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act; or (ii) to a person it reasonably believes to be an Eligible Investor purchasing for its own account or for the account of an Eligible Investor (A) in a transaction meeting the requirements of Rule 144A or (B) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available).

(c) It understands that such Restricted Notes, unless the Issuer thereof determines otherwise in compliance with applicable law, 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. THE HOLDER HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ACKNOWLEDGES THAT THIS NOTE IS A "RESTRICTED SECURITY" THAT HAS NOT BEEN 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 HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ALSO ACKNOWLEDGES AND AGREES THAT (1) IT IS AN ELIGIBLE INVESTOR (AS DEFINED BELOW); (2) IT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF AN ELIGIBLE INVESTOR; (3) IT WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER; (4) IT, AND EACH ACCOUNT FOR WHICH IT IS ACTING, WILL PURCHASE NOTES IN AN AMOUNT NOT LESS THAN AN AUTHORISED DENOMINATION (AS SPECIFIED IN THE APPLICABLE ISSUE MEMORANDUM); AND (5) IT WILL PROVIDE TO ANY SUBSEQUENT TRANSFEREE OF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREON; THE HOLDER AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND OTHER APPLICABLE LAWS OF THE STATES, TERRITORIES AND POSSESSIONS OF THE UNITED STATES GOVERNING THE OFFER AND SALE OF SECURITIES AND ONLY (A) (1) TO THE ISSUER (UPON REDEMPTION HEREOF OR OTHERWISE) OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (3) TO A PERSON THAT IS AN ELIGIBLE INVESTOR PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF AN ELIGIBLE INVESTOR IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) TO A PERSON WHO IS A QUALIFIED PURCHASER UNDER THE INVESTMENT COMPANY ACT AND (B) IN ACCORDANCE WITH ALL

APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

"ELIGIBLE INVESTORS" ARE PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")) ("**QIBS**"), BUT EXCLUDING THEREFROM: (I) QIBS WHICH ARE BROKER-DEALERS WHICH OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25,000,000 IN "SECURITIES", AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) PARTNERSHIPS, COMMON TRUST FUNDS, SPECIAL TRUSTS, PENSION FUNDS, RETIREMENT PLANS OR OTHER ENTITIES IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) ENTITIES THAT WERE FORMED, RE-FORMED OR RECAPITALISED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE NOTES, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT UNDER SECTION 3(C)(1) OR 3(C)(7) THEREOF AND FORMED BEFORE 30TH APRIL, 1996, WHICH HAS NOT RECEIVED CONSENT FROM ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(A)(51)(C) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40 PER CENT. OF ITS ASSETS IN SECURITIES OF THE RELEVANT ISSUER SUBSEQUENT TO ANY PURCHASE OF NOTES OF THE RELEVANT ISSUER.

IF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION THEREIN) IS HELD IN VIOLATION OF THE APPLICABLE TRANSFER RESTRICTIONS, THE ISSUER SHALL HAVE THE RIGHT AT ANY TIME, AT THE EXPENSE AND RISK OF THE HOLDER OF ANY NOTES HELD BY OR ON BEHALF OF A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME IT PURCHASES SUCH NOTES TO (I) REDEEM SUCH NOTES, IN WHOLE OR IN PART, TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT OR (II) REQUIRE SUCH HOLDER TO SELL SUCH NOTES TO AN ELIGIBLE INVESTOR OR TO A NON-U.S. PERSON OUTSIDE THE UNITED STATES TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT, AS FURTHER PROVIDED FOR IN THE TERMS AND CONDITIONS OF THE NOTES. ANY TRANSFER OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE TO A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME OF SUCH TRANSFER SHALL BE DEEMED TO BE VOID AB INITIO AND OF NO LEGAL EFFECT WHATSOEVER, ANY SUCH TRANSFEREE SHALL BE DEEMED NOT TO BE THE HOLDER OF SUCH NOTES FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO THE RECEIPT OF INTEREST ON SUCH NOTES, AND SUCH TRANSFEREE SHALL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN SUCH NOTES.

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR SECTION 4(2) THEREUNDER.

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN ACKNOWLEDGES THAT IT IS PURCHASING THE NOTE (OR INTEREST HEREIN) FOR A BONA FIDE BUSINESS PURPOSE AND ITS INVESTMENT IN SUCH NOTE OR INTEREST IS CONSISTENT WITH ITS OVERALL INVESTMENT STRATEGY.

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

(d) It acknowledges that the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring the Restricted Notes for the account of an Eligible Investor, it represents that it has sole investment discretion with respect to such

account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

(e) It understands that the Restricted Notes offered in reliance on Rule 144A will either be represented by a Definitive Certificate or by a Restricted Global Certificate as specified in the applicable Issue Memorandum.

(f) It is not purchasing the Restricted Notes with the intent or purpose of evading, either alone or in conjunction with any other person, the provisions of the Securities Act or the Investment Company Act.

Each person purchasing Restricted Notes from a Dealer or through an affiliate of a Dealer pursuant to Rule 144A acknowledges that: (i) it has been afforded an opportunity to request from the Issuer thereof and to review, and it has received, all additional information considered by it to be necessary to verify the accuracy of the information herein; (ii) it has not relied on any Dealer or any person affiliated with any Dealer in connection with its investigation of the accuracy of the information contained in this Programme Memorandum or its investment decision; (iii) no person has been authorised to give any information or to make any representation concerning the Issuer or the Restricted Notes other than those contained in this Programme Memorandum and, if given or made, such other information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

The Issuer will publish a notice annually to the Noteholders in respect of each Series of Restricted Notes reminding such Noteholders of the following: (1) each such Noteholder is required to be an Eligible Investor that can make the representations set forth in paragraph (a) above; (2) such Notes may only be transferred in accordance with the terms of paragraphs (b) and (c) above (and, if to a U.S. Person, such person can also make the representations set forth in paragraph (a) above); (3) pursuant to Condition 8(f) of the Conditions of the Notes, the Issuer has the right to force any such Noteholder who is not an Eligible Investor to sell or redeem its Notes. If such Notes are represented by a Restricted Global Certificate held by a nominee for DTC, the Issuer will publish such notice by delivery thereof to the DTC for communication by it to entitled accountholders together with a request that such notice be passed along to the ultimate beneficial owners of such Notes.

Each prospective purchaser of Restricted Notes offered, by accepting delivery of this Programme Memorandum, will be deemed to have represented and agreed as follows:

(a) such person acknowledges that this Programme Memorandum is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Restricted Notes. Distribution of this Programme Memorandum, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited; and

(b) such person agrees not to make any photocopies of this Programme Memorandum or any documents referred to herein and, if such person does not purchase any Notes or the offering is terminated, to return this Programme Memorandum and all documents referred to herein to the Dealer or the affiliate thereof who furnished this Programme Memorandum and those documents.

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 non-U.S. persons and for the offer and sale of the Notes in the United States to Eligible Investors and for the listing of the Notes on the regulated market of the Irish Stock Exchange. The Issuers and the Dealers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Notes which may be offered pursuant to Section 4(2) or Rule 144A. This Programme Memorandum does not constitute an offer to any person in the United States or to any U.S. person other than an Eligible Investor to whom an offer has been made directly by one of the Dealers or an affiliate of one of the Dealers. Distribution of this Programme Memorandum to any such U.S. person or to any person within the United States, other than those persons, if any, retained to advise Eligible Investors with respect thereto, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuers, is prohibited.

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, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of 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 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 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 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

The Arranger and 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, and each further Dealer appointed under the Programme will be required to represent and agree, 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 other circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong ("**CO**"), 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; 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 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 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 re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the 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 2001 (Act 42 of 2001) of Singapore (the "**Securities and Futures Act**"). 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 Securities and Futures Act, (ii) to a sophisticated investor (as defined in Section 275 of the Securities and Futures Act), and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) 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 Securities and Futures Act) 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 Securities and Futures Act, 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 Securities and Futures Act;
 - (ii) where no consideration is or will be given for the transfer;
 - (iii) where the transfer is by operation of law; or
 - (iv) as specified in Section 276(7) of the Securities and Futures Act.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and accordingly, no Notes 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 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 27 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.

Jersey

Each of the Dealers has severally represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that (i) no prospectus, explanatory memorandum or other invitation offering such Notes for subscription, sale or exchange at any time has been or will be issued by it on behalf of the relevant Issuer to any person other than a financial institution, dealer or market maker, (ii) in relation to any Notes issued by the Second Issuer in respect of which the applicable Issue Memorandum does not state that a copy of the Issue Memorandum is to be delivered to the Jersey registrar of companies, it has not offered or sold and will not offer or sell any Notes in any jurisdiction in circumstances which have resulted or will result in an invitation to the public within the meaning of the Companies (Jersey) Law 1991, as amended, and (iii) in relation to any Notes issued by the First Issuer and any Additional Issuer not incorporated in Jersey, that it will not make any offering of any Notes at any time in circumstances which will result in an invitation to the public within the meaning of the Companies (Jersey) Law 1991, as amended, in Jersey.

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.

The Republic of China - Taiwan

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 a manner that would constitute a public offering in accordance with the Securities and Exchange Law of The Republic of China.

The People's Republic of 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.

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.

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

The admission of the Notes to the Official List will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that each Series of Notes which is to be admitted to the Official List and to trading on the regulated market of the Irish Stock Exchange 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 approval of the Programme in respect of such Notes by the Central Bank will be granted on or about 30 April 2014. Application has been made for the relevant Notes to be traded on the regulated market of the Irish Stock Exchange. Unlisted Notes or Notes issued on an alternative or additional stock exchange may also be issued under the Programme.

Incorporation, Authorisations and Consents

Solar Funding I Limited was incorporated on 23rd January, 1998. Solar Funding II Limited was incorporated on 13th May, 2002.

The First Issuer and the Second Issuer 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 First Issuer passed on 29th July, 1999. The resignation of Greenwich NatWest Limited (as agent for National Westminster Bank Plc) as Arranger, Dealer and Advisor and the appointment of The Royal Bank of Scotland plc as Arranger, Dealer and Advisor was approved by a board resolution of the First Issuer passed on 14th December, 2001. The appointment of Deutsche Bank International Limited as Jersey Manager in replacement of Royal Bank of Canada Fund Managers (Jersey) Limited was approved by a board Resolution of the First Issuer passed on 12th October, 2001. The accession of the Second Issuer to the Programme was approved in resolutions of the board of directors of the Second Issuer passed on 11th July, 2002. The increase in the aggregate principal amount of the Programme from US\$1,000,000,000 to US\$5,000,000,000 was approved by a board resolution of the First Issuer passed on 23rd September, 2003; the increase in the aggregate principal amount of the Programme from US\$5,000,000,000 to US\$10,000,000,000 was approved by a board resolution of the First Issuer passed on 4 January 2008. The most recent update of the Programme was approved by a board resolution of the First Issuer passed on or about 29 April 2014. The increase in the aggregate principal amount of the Programme from US\$1,000,000,000 to US\$5,000,000,000, was approved by a board resolution of the Second Issuer passed on 28th October, 2003. The increase in the aggregate principal amount of the Programme from US\$5,000,000,000 to US\$10,000,000,000 was approved by a board resolution of the Second Issuer on 4 January 2008. The most recent update of the Programme was approved by a board resolution of the Second Issuer passed on 29 April 2014.

No Material Change

There has been no significant change in the financial position of the First Issuer or the Second Issuer, and no material adverse change in the financial position or prospects of the First Issuer or the Second Issuer, since the date of its incorporation and 31 October, 2012, respectively.

No Litigation

The First Issuer is not nor has been involved in any legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the company is aware) which may have, or have had since the date of its incorporation, a

significant effect on its financial position or profitability nor is it aware that any such proceedings are pending or threatened.

The Second Issuer is not nor has been involved in any legal, governmental or arbitration proceedings (including and such proceedings which are pending or threatened of which the company is aware) which may have, or have had since the date of its incorporation, 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 Agent in London and at the registered offices of each of the Issuers:
 - (i) the Principal Trust Deed dated 30 April 2014 together with any Supplemental Trust Deed;
 - (ii) the Dealer Agreement dated 30 April 2014;
 - (iii) the Agency Agreement dated 30 April 2014;
 - (iv) the procedures memorandum dated 30 April 2014 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 First Issuer;
 - (vi) the Corporate Administration Agreement relating to the Second Issuer;
 - (vii) the Management Agreement relating to the First Issuer;
 - (viii) the Management Agreement relating to the Second Issuer;
 - (ix) the Declaration of Trust relating to the First Issuer;
 - (x) the Instrument of Trust relating to the Second Issuer;
 - (xi) the Memorandum and Articles of Association of each of the Issuers;
 - (xii) a copy of this Programme Memorandum together with any supplemental or further Programme Memorandum; and
 - (xiii) a copy of the audited financial statements of the Second Issuer for the periods ending 31 October 2011 and 31 October 2012 -

http://www.ise.ie/debt_documents/Solar%20II%202011%20Financials_ee92b695-351d-49a2-b1b2-b62201996998.PDF

http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_96f5933d-1659-4192-8002-405f4e3f88b8.PDF.

- (b) In respect of each Series of Notes issued, copies of each 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 and to trading on the regulated market of the Irish Stock Exchange or are listed on any other stock exchange may be inspected by holders thereof at the specified office of the Agents in London during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for 14 days from the Issue Date of such Notes.

Financial Statements

As at the date of this Programme Memorandum no audited financial statements have been prepared for the First Issuer. Financial statements of the Second Issuer have been prepared in respect of the periods ending on 31 October 2011 and 31 October 2012. These were, and all future financial statements of each Issuer incorporated in Jersey shall be, audited and shall be available for collection by persons holding Notes issued by the relevant Issuer incorporated in Jersey, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the specified office of the Agent in London.

The financial statements are available at the following websites:

http://www.ise.ie/debt_documents/Solar%20II%202011%20Financials_ee92b695-351d-49a2-b1b2-b62201996998.PDF

http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_96f5933d-1659-4192-8002-405f4e3f88b8.PDF.

Post-Issuance Information

Neither Issuer intends to provide post-issuance information.

Restricted Securities

So long as any of the Notes are "**restricted securities**" within the meaning of Rule 144(a)(3) under the Securities Act, the relevant Issuer will, unless it becomes subject to and complies with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of Notes that are restricted securities, or to any prospective purchaser of Notes that are restricted securities designated by a holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

APPENDIX 1

FORM OF INVESTMENT LETTER

[On the letterhead of the institutional purchaser]

[DATE]

[Solar Funding I Limited
c/o P O Box 1093, Boundary Hall
Cricket Square
Grand Cayman KY1-1102
Cayman Islands]

[Solar Funding II Limited
13 Castle Street
St. Helier
Jersey JE4 5UT
Channel Islands]

[Additional Issuer
[address]]

Deutsche Bank International Limited
P.O. Box 727
St. Paul's Gate
New Street
St. Helier
Jersey, JE4 8ZB
Channel Islands

[Placement Agent]
[address]

Dear Sirs

[Solar Funding [I/II] Limited/Additional Issuer] (the "Issuers")
[Description of Series] (the "Notes")
Issued under the US\$10,000,000,000 Secured Asset-backed Medium Term Note Programme (the "Programme")

In consideration of the Issuer agreeing to issue the Notes to us or as we may direct on the Closing Date (as defined below), we agree to subscribe and pay for the Notes at the issue price of [●] per cent. of their aggregate principal amount on the Closing Date.

Delivery of the Notes shall be made by the Issuer at [TIME] on [DATE] or such other time and date as we and the Issuer shall determine (the "**Closing Date**"), by the delivery of a Definitive Registered Note at our offices at [ADDRESS] or at such other place as we may direct. Payment for the Notes shall be made by us by delivery of the subscription moneys (being an amount equal to the Issue Price multiplied by the aggregate principal amount of the Notes) to the Issuer on the Closing Date or in such manner as we and the Issuer may agree.

We have reviewed the Issue Memorandum dated [DATE] (the "**Issue Memorandum**") issued in connection with the issue of the Notes and the Programme Memorandum dated 30

April 2014 relating to the Programme. Terms used and not defined in this letter shall have the meanings given to them in the Issue Memorandum.

We understand that this certificate may be required in connection with certain laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorise you to produce this certificate to any interested party in such proceeding.

We hereby represent and confirm to the Issuer that:

- (i) **Non-Reliance** We are acting for our own account, and we have made our own independent decisions to invest in the Notes and as to whether the investment in the Notes is appropriate or proper for us based upon our own judgment and upon advice from such advisers as we have deemed necessary. We are not relying on any communication (written or oral) of the Issuer or the Placement Agent as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the terms and conditions of these Notes shall not be considered to be investment advice or a recommendation to invest in the Notes. We agree that no communication (written or oral) received from the Issuer or the Placement Agent shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes.
- (ii) **Assessment and Understanding** We are capable of assessing the merits of and understanding (on our own behalf or through independent professional advice), and understand and accept, the terms and conditions and risks of the investment in the Notes. We are also capable of assuming, and assume the risks of the investment in the Notes.
- (iii) **Capacity** We have the corporate or other legal capacity to acquire the Notes.
- (iv) **Purpose** We are entering into the investment in the Notes for either investment, financial intermediation, hedging or other commercial purposes.

In relation to the purchase of the Notes by us, we represent and agree as follows:

- We are an Eligible Investor. "**Eligible Investors**" are persons who are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**"), but excluding therefrom: (i) QIBs which are broker-dealers which own and invest on a discretionary basis less than U.S.\$25,000,000 in "securities", as such term is defined under Rule 144A ("**Rule 144A**") under the United States Securities Act of 1933, as amended (the "**Securities Act**"), (ii) partnerships, common trust funds, special trusts, pension funds, retirement plans or other entities in which the partners, beneficiaries or participants, as the case may be, may designate the particular investments to be made or the allocation thereof, (iii) entities that were formed, re-formed or recapitalised for the specific purpose of investing in the Notes, (iv) any investment company excepted from the Investment Company Act under Section 3(c)(1) or 3(c)(7) thereof and formed before 30th April, 1996, which has not received consent from its beneficial owners with respect to the treatment of such entity as a qualified purchaser in the manner required by Section 2(a)(51)(C) of the Investment Company Act and the rules thereunder and (v) any entity that will have invested more than 40 per cent. of its assets in securities of the relevant Issuer subsequent to any purchase of Notes of the relevant Issuer.
- We have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing the Notes.
- We are acquiring the Notes for investment and not with a view to distribution thereof or

with any present intention of offering or selling the Notes; provided that the disposition of our property and property of any accounts for which we are acting as fiduciary shall remain at all times within our control.

- We understand that the Notes purchased by us are being offered and may be transferred only in transactions not involving any public offering in the United States within the meaning of the Securities Act. We understand that the Notes have not been and will not be registered under the Securities Act. We agree, for the benefit of the Issuer, the Placement Agent and their respective affiliates, that, if in the future we decide to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein), any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and other applicable laws of the states, territories and possessions of the United States governing the offer and sale of securities and only (1) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act, or (2) to a person we reasonably believe to be an Eligible Investor purchasing for its account or for the account of an Eligible Investor (A) in a transaction meeting the requirements of Rule 144A or (B) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available). This Note (or any beneficial interest or participation herein) is subject to transfer or redemption at the option of the Issuer if, at any time, any holder of this Note (or any beneficial interest or participation herein) within the United States or who is a U.S. person is not an Eligible Investor.
- We understand that such Notes, unless the Issuer thereof determines otherwise in compliance with applicable law, 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. THE HOLDER HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ACKNOWLEDGES THAT THIS NOTE IS A "RESTRICTED SECURITY" THAT HAS NOT BEEN 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 HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ALSO ACKNOWLEDGES AND AGREES THAT (1) IT IS AN ELIGIBLE INVESTOR (AS DEFINED BELOW); (2) IT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF AN ELIGIBLE INVESTOR; (3) IT WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER; (4) IT, AND EACH ACCOUNT FOR WHICH IT IS ACTING, WILL PURCHASE NOTES IN AN AMOUNT NOT LESS THAN AN AUTHORISED DENOMINATION (AS SPECIFIED IN THE APPLICABLE ISSUE MEMORANDUM); AND (5) IT WILL PROVIDE TO ANY SUBSEQUENT TRANSFEREE OF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREON; THE HOLDER AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND OTHER APPLICABLE LAWS OF THE STATES, TERRITORIES AND POSSESSIONS OF THE UNITED STATES GOVERNING THE OFFER AND SALE OF SECURITIES AND ONLY (A) (1) TO THE ISSUER (UPON REDEMPTION HEREOF OR

OTHERWISE) OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (3) TO A PERSON THAT IS AN ELIGIBLE INVESTOR PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF AN ELIGIBLE INVESTOR IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) TO A PERSON WHO IS A QUALIFIED PURCHASER UNDER THE INVESTMENT COMPANY ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

"ELIGIBLE INVESTORS" ARE PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") ("**QIBS**"), BUT EXCLUDING THEREFROM: (I) QIBS WHICH ARE BROKER-DEALERS WHICH OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25,000,000 IN "SECURITIES", AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) PARTNERSHIPS, COMMON TRUST FUNDS, SPECIAL TRUSTS, PENSION FUNDS, RETIREMENT PLANS OR OTHER ENTITIES IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) ENTITIES THAT WERE FORMED, RE-FORMED OR RECAPITALISED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE NOTES, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT UNDER SECTION 3(C)(1) OR 3(C)(7) THEREOF AND FORMED BEFORE 30TH APRIL, 1996, WHICH HAS NOT RECEIVED CONSENT FROM ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(A)(51)(C) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40 PER CENT. OF ITS ASSETS IN SECURITIES OF THE RELEVANT ISSUER SUBSEQUENT TO ANY PURCHASE OF NOTES OF THE RELEVANT ISSUER.

IF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION THEREIN) IS HELD IN VIOLATION OF THE APPLICABLE TRANSFER RESTRICTIONS, THE ISSUER SHALL HAVE THE RIGHT AT ANY TIME, AT THE EXPENSE AND RISK OF THE HOLDER OF ANY NOTES HELD BY OR ON BEHALF OF A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME IT PURCHASES SUCH NOTES TO (I) REDEEM SUCH NOTES, IN WHOLE OR IN PART, TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT OR (II) REQUIRE SUCH HOLDER TO SELL SUCH NOTES TO AN ELIGIBLE INVESTOR OR TO A NON-U.S. PERSON OUTSIDE THE UNITED STATES TO PERMIT THE ISSUER TO AVOID REGISTRATION UNDER THE INVESTMENT COMPANY ACT, AS FURTHER PROVIDED FOR IN THE TERMS AND CONDITIONS OF THE NOTES. ANY TRANSFER OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE TO A U.S. PERSON WHO IS NOT AN ELIGIBLE INVESTOR AT THE TIME OF SUCH TRANSFER SHALL BE DEEMED TO BE VOID AB INITIO AND OF NO LEGAL EFFECT WHATSOEVER, ANY SUCH TRANSFEREE SHALL BE DEEMED NOT TO BE THE HOLDER OF SUCH NOTES FOR ANY PURPOSE, INCLUDING BUT NOT LIMITED TO THE RECEIPT OF INTEREST ON SUCH NOTES, AND SUCH TRANSFEREE SHALL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN SUCH NOTES.

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR SECTION 4(2) THEREUNDER.

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN ACKNOWLEDGES THAT IT IS PURCHASING THE NOTE (OR INTEREST HEREIN) FOR A BONA FIDE BUSINESS PURPOSE AND ITS INVESTMENT IN SUCH NOTE OR INTEREST IS CONSISTENT WITH ITS OVERALL INVESTMENT STRATEGY.

EACH HOLDER OF THIS NOTE OR AN INTEREST HEREIN AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

- We acknowledge that the Issuer, the Registrar, the Placement Agent and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and we agree to notify you promptly in writing if any of our representations or acknowledgements herein cease to be accurate and complete.
- We understand that the Notes will be in the form of a Definitive Registered Note. Before any interest in a Definitive Registered Note may be offered, sold, pledged or otherwise transferred, the transferor will be required to provide the Registrar with the written certification in the Form of Transfer set forth in the Trust Deed, and the transferee will be required to execute an investment letter, and the Issuer's written consent to the transfer, such consent not to be unreasonably withheld, will be required.
- We are not purchasing the Notes with the intent or purpose of evading, either alone or in conjunction with any other person, the provisions of the Securities Act or the Investment Company Act.
- We acknowledge that (i) we have had access to such financial and other information, and have been afforded the opportunity to ask such questions of representatives of the Issuer and receive answers thereto, as we deem necessary in connection with our decision to purchase the Notes, and (ii) no person has been authorised to give any information or to make any representation concerning the Issuer or the Notes other than those contained in the Programme Memorandum, the Issue Memorandum or the documents referred to therein and, if given or made, such other information or representation should not be relied upon as having been authorised by the Issuer.

This letter shall be governed by, and construed in accordance with, the internal laws of the State of New York.

[For so long as we are the registered holders of the Notes all payments in respect of the Notes are to be made (unless otherwise instructed by us in writing) to the account specified below:

We hereby represent and confirm to the Issuer that:

Name and

Address of Bank:

Account Name:

Account No:

Any notice required to be given to the holder of the Notes represented by the Definitive Registered Note pursuant to the terms and conditions of the Notes should be sent to telex/facsimile number _____ or to the address given above, marked for the attention of _____].*

[NAME OF INVESTOR]

Signed

* For Notes in registered form to be represented on **issue** by Definitive Registered Notes only.

Registered office of First Issuer
SOLAR FUNDING I LIMITED
c/o PO Box 1093, Queensgate House
Grand Cayman
KY1-1102
Cayman Islands

Registered office of Second Issuer
SOLAR FUNDING II LIMITED
13 Castle Street
St. Helier
Jersey JE4 5UT
Channel Islands

TRUSTEE

DEUTSCHE TRUSTEE COMPANY LIMITED
Winchester House
1 Great Winchester Street
London EC2N 2DB

**ISSUING AND PAYING AGENT AND
TRANSFER AGENT**

DEUTSCHE BANK AG, LONDON BRANCH
Winchester House
1 Great Winchester Street
London EC2N 2DB

CUSTODIAN

**DEUTSCHE BANK AG, LONDON
BRANCH**
Winchester House
1 Great Winchester Street
London EC2N 2DB

**REGISTRAR AND
PAYING AGENT**

DEUTSCHE BANK LUXEMBOURG S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg

REGISTRAR

*in the case of Series of Notes
including Restricted Notes*

**DEUTSCHE BANK TRUST COMPANY
AMERICAS**

c/o Deutsche Bank National Trust Company
Trust & Securities Services
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Jersey City, NJ 07311-3901

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MOURANT OZANNES

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*in the case of Notes admitted to the Official List of
the Irish Stock Exchange*

A&L LISTING LIMITED

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