

DATED: 16 JUNE 2017

BASE PROSPECTUS

MARCH INTERNATIONAL ISSUANCES S.A.

(a public limited liability company (société anonyme) incorporated under the laws of Luxembourg as an unregulated securitisation company (société de titrisation) within the meaning of, and governed by, the Luxembourg law of 22 March 2004 on securitisation, as amended, with its registered office at 6, rue Eugène Ruppert, L – 2453 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies under the number B215.157) (the "Company")

Secured Note Programme

March International Issuances S.A. is incorporated as a *société anonyme* (public limited liability company) under the laws of Luxembourg and has the status of a securitisation undertaking under the Luxembourg law dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act**").

This Base Prospectus gives information on the Company and its EUR 500,000,000 (or its equivalent in other currencies calculated as set out herein) programme (the "**Programme**") for the issuance of secured notes ("**Notes**"). The liability of the Company under the Notes and the Programme is separate in respect of each Series of Notes.

Under the Programme, the Company may from time to time issue series (each, a "**Series**") of Notes and tranches (each, a "**Tranche**"). Such Series of Notes may be issued on the terms set out in:

- (i) this Base Prospectus as completed by the final terms prepared in connection with such Tranche (the "**Final Terms**") *in accordance with the Prospectus Directive (as defined below)*; or
- (ii) if a Series of Notes *do not require the publication of a prospectus in accordance with the Prospectus Directive*, a pricing supplement prepared in connection with such Series of Notes (the "**Pricing Supplement**"); or
- (iii) if the Charged Assets in respect of a Series of Notes are not Banca March Charged Assets or such Series of Notes would have a derivative payout and such Series of Notes *requires a prospectus to be published in accordance with the Prospectus Directive*, a series prospectus relating to the Notes, incorporating by reference the whole or any part of this Base Prospectus (a "**Series Prospectus**").

In this Base Prospectus, references to "**Alternative Drawdown Documents**" means a (i) Pricing Supplement used in circumstances where the publication of a prospectus is *not* required in accordance with the Prospectus Directive; and (ii) Series Prospectus used in circumstance where publication of a prospectus is required in accordance with the Prospectus Directive and the use of Final Terms is not permitted or permissible under the Prospectus Directive. Such Alternative Drawdown Documents and the Final Terms are together referred to as the "**Issue Terms**" in this Base Prospectus.

References to applicable Final Terms in this Base Prospectus include only final terms pursuant to Article 5.4 of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the "**Prospectus Directive**").

Under Luxembourg law, the Company's assets and liabilities will be divided into "**Compartments**" (as defined herein under "*Overview of the Programme*"). The Company acting in respect of one of its Compartments (the "**Issuer**") will purchase assets and/or enter into other contractual arrangements using the proceeds of issue of the Series of Notes, and those assets and the Issuer's liabilities in respect of any one Series of Notes will be allocated to the Compartment created for that Series of Notes (the "**Compartment Assets**") and will be segregated from the Company's other assets and liabilities and from the assets and liabilities allocated to all other Compartments. The Compartment Assets will be available exclusively to meet the Issuer's obligations in respect of that Series of Notes, and may not be used by the Company to meet its obligations in respect of any other Series of Notes or any other obligations.

In addition, each Series of Notes will be secured by a security interest created in favour of the Trustee over the Compartment Assets relating to such Series of Notes (as described in more detail in Condition 4 (*Related Agreements, Compartment Assets and Security*) of the Terms and Conditions of the Notes). If the proceeds of enforcement of the security are not sufficient to meet all of its obligations in respect of the Series of Notes, the Issuer's obligations in respect of the Notes will be limited to those proceeds. Neither the assets of another Compartment nor any of the Company's other assets will be available to meet any shortfall.

This Base Prospectus constitutes a base prospectus as contemplated by the Prospectus Directive. The Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under 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 certain Notes issued under the Programme during the 12 months from the date of this Base Prospectus to be admitted to the Official List of the Irish Stock Exchange (the "**Official List**") and to trading on its regulated market (the "**Main Securities Market**"). However, no assurance can be given that such an application to admit Notes to the Official List and to trading on its regulated market will be successful. References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Main Securities Market and have been admitted to the Official List. The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments ("**MiFID**"). Such approval relates only to the Notes which are to be admitted to trading on the Main Securities Market or other regulated markets for the purposes of MiFID and/or which are to be offered to the public in any Member State of the European Economic Area.

However, Notes may also be listed and admitted to trading on such other or further stock exchanges (such Notes, together with Notes admitted to trading on the Main Securities Market and listed on the Official List, the "**Listed Notes**") as may be agreed between the Company and the Dealer and as specified in the applicable Final Terms or Series Prospectus for the relevant Notes.

Unlisted Notes may also be issued pursuant to the Programme on the terms set out in the relevant Pricing Supplement. The Final Terms, Series Prospectus or Pricing Supplement shall specify whether or not Notes to be issued thereunder shall be listed on the

Official List and admitted to trading on the Main Securities Market or any other stock exchange as may be agreed between the Company and the Dealer.

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued by way of Final Terms under this Base Prospectus where the Charged Assets are Banca March Charged Assets. Where the Charged Assets in respect of the Notes are not Banca March Charged Assets or where the Notes have a derivative payout, then a Series Prospectus will be required for the Notes to be admitted to the Official List and admitted to trading on the Main Securities Market or other regulated markets for the purposes of MiFID. This Base Prospectus has not been reviewed by the Central Bank in relation to any Pricing Supplement.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and the Notes are subject to U.S. tax law requirements. The Notes may not at any time be offered, sold or delivered within the United States or to any person who is (a) a U.S. person (as defined in Regulation S under the Securities Act) or (b) not a Non-United States person (as defined in Rule 4.7 under the U.S. Commodity Exchange Act of 1936, but excluding for purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are Non-United States persons).

Prospective investors should have regard to the factors described under the section of this Base Prospectus headed "*Risk Factors*" and, in particular, to the limited recourse nature of the Notes and the fact that the Company is a special purpose vehicle. This Base Prospectus does not describe all of the risks of an investment in the Notes.

Readers of this Base Prospectus should have regard to the definitions set out in "*Terms and Conditions of the Notes*" herein. Unless otherwise defined elsewhere in this Base Prospectus, capitalised terms used in this Base Prospectus shall have the meaning given to them in the section "*Terms and Conditions of the Notes*".

Arranger and Dealer

Banca March, S.A.

Dated: 16 June 2017

IMPORTANT NOTICES

Responsibility for this Base Prospectus

March International Issuances S.A. (the "**Company**") accepts responsibility for the information contained in this Base Prospectus and the Final Terms and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Public Offers of Notes in the European Economic Area

Certain Tranches of Notes with a denomination of less than EUR 100,000 (or its equivalent in any other currency) may, subject as provided below, be offered in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "**Public Offer**".

This Base Prospectus has been prepared on a basis that permits Public Offers of Notes in the Republic of Ireland (the "**Public Offer Jurisdiction**"). Any person making or intending to make a Public Offer of Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the consent of the Issuer – see "*Consent*" below.

If after the date of this Base Prospectus the Issuer intends to add one or more Relevant Member States to the list of Public Offer Jurisdictions for any purpose, they will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any relevant additional information required by the Prospectus Directive. Such supplement will also set out provisions relating to the consent of the Issuer to the use of this Prospectus in connection with any Public Offer in any such additional Public Offer Jurisdiction.

Consent

In the context of any Public Offer of Notes in a Public Offer Jurisdiction, the Issuer accepts responsibility in that Public Offer Jurisdiction for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Notes in that Public Offer Jurisdiction made by the Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period (as defined below).

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror nor has it consented to the use of this Base Prospectus by any other person in connection with any offer of the Notes in any jurisdiction. Any offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, the Dealer accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Notes by a person who is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Public Offer and, if so, who that person is.

If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Consent to the use of this Base Prospectus

Common conditions to Consent

The conditions to the consent of the Issuer are (in addition to the conditions described in either sub-paragraph (a) (*Specific Consent*) or sub-paragraph (b) (*General Consent*) below) that such consent:

- (i) is only valid in respect of the relevant Tranche of Notes;
- (ii) is only valid during the Offer Period specified in the applicable Final Terms; and

- (iii) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in such of the Public Offer Jurisdictions as are specified in the applicable Final Terms.

The consent referred to above relates to Public Offers occurring within 12 months from the date of this Base Prospectus.

Specific Consent and General Consent

Subject to the conditions set out above under "*Common conditions to Consent*", the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of Notes in any Public Offer Jurisdiction by:

- (a) *Specific Consent:*
 - (i) the Dealers specified in the relevant Final Terms; and
 - (ii) any financial intermediaries specified in the applicable Final Terms;

- (b) *General Consent:*

if General Consent is specified in the relevant Final Terms as applicable, any other financial intermediary which:

- (i) is authorised to make such offers under Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, including under any applicable implementing measure in each relevant jurisdiction ("**MiFID**"); and
- (ii) accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) (the "**Acceptance Statement**"):

"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by March International Issuances S.A. (the "Issuer").

In consideration of the Issuer offering to grant their consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [insert name(s) of relevant Public Offer Jurisdiction(s)] during the Offer Period in accordance with the "Authorised Offeror Term" (as specified in the Base Prospectus), we accept the offer by the Issuer. We confirm that we are authorised under MiFID to make, and are using the Base Prospectus in connection with, the Public Offer accordingly.

Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus."

Any financial intermediary who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period specified in the applicable Final Terms, to publish a duly completed Acceptance Statement on its website.

Authorised Offerors

The financial intermediaries referred to in sub-paragraph (a)(ii) and sub-paragraph (b) above are collectively referred to herein as the "Authorised Offerors".

Arrangements between an Investor and the Authorised Offeror who will distribute the Notes

Neither the Issuer nor, for the avoidance of doubt, the Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES

TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER AND THE DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

IN THE EVENT OF AN OFFER BEING MADE BY A FINANCIAL INTERMEDIARY, SUCH FINANCIAL INTERMEDIARY WILL PROVIDE INFORMATION TO INVESTORS ON THE TERMS AND CONDITIONS OF THE OFFER AT THE TIME THE OFFER IS MADE.

Public Offers: Issue Price and Offer Price

Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer(s) at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Notes and prevailing market conditions at that time. The offer price of such Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Notes to such Investor. The Issuer will not be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Notes to such Investor.

Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Issuer has confirmed to the Dealer named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

Unauthorised information

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or the Dealer.

Neither the Dealer nor any of its affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied

in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Restrictions on distribution

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*" and "*Transfer Restrictions*".

In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealer or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

Programme limit

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 500,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

Certain definitions

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and references to:

- (i) "**GBP**" are to British pound sterling, the official currency of the United Kingdom;
- (ii) "**CHF**" are to the Swiss franc, the official currency of Switzerland;
- (iii) "**USD**" are to United States Dollars, the official currency of the United States of America;
- (iv) "**JPY**" are to Japanese Yen, the official currency of Japan; and
- (v) "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in sections A – E (A.1 – E.7).

This Summary contains all the Elements required to be included in a summary for these types of Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in this Summary because of the type of securities and/or issuers, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary and noted, inter alia, as "Not applicable".

Words and expressions defined in the section titled "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this summary.

This Summary relates to the March International Issuances S.A. Secured Note Programme.

A – Introduction and warnings

Element	Disclosure requirement	
A.1	Introduction and warnings	<p>This summary should be read as an introduction to this base prospectus (the "Base Prospectus"). Any decision to invest in Notes should be based on a consideration of this Base Prospectus as a whole by the investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in Notes.</p>
A.2	Consent to the use of the prospectus, the offer period and other conditions of use	<p>[General]/[Specific Consent]</p> <p>[Issue-specific summary]</p> <p>[The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) on the following basis:</p> <ul style="list-style-type: none"> (i) <i>the relevant Public Offer must occur during the period from and including [•] to but excluding [•](the "Offer Period");</i> (ii) <i>the relevant Authorised Offeror must publish an Acceptance Statement, as contained in the Base Prospectus, on its website [and satisfy the following additional conditions: [•]].]</i>

Element	Disclosure requirement	
		<p>[The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by [•] on the following basis:</p> <p>(i) the relevant Public Offer must occur during the period from and including [•] to but excluding [•] (the "Offer Period");</p> <p>(ii) the relevant Authorised Offeror must satisfy the following conditions: [•].</p> <p>Authorised Offerors will provide information to Investors on the terms and conditions of the Public Offer of the relevant Notes at the time such Public Offer is made by the Authorised Offeror to the Investor.]</p>

Section B – Issuer

B.1	Legal and commercial name of Issuer	<p>March International Issuances S.A. is a public limited liability company (<i>société anonyme</i>), whose activities are subject to the Securitisation Act, was incorporated on 23 May 2017.</p> <p><i>[Issue-specific summary</i></p> <p><i>March International Issuances S.A. acting in respect of Compartment [•] (the "Issuer")]</i></p>
B.2	Domicile and legal form of the issuer, the legislation under which the issuer operates and its country of incorporation	<p>The purpose and object of the Company pursuant to its articles of incorporation is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act.</p> <p>The Issuer's registered office is at 6, rue Eugène Ruppert, L-2453, Grand Duchy of Luxembourg.</p>
B.16	Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control	<p>The sole shareholder and owner of the Company is Banca March, S.A.</p> <p>The share capital of Banca March, S.A. is owned by members of the same family. Banca March, S.A. is controlled by Juan, Carlos, Gloria and Leonor March Delgado, who together own 100% of Banca March, S.A.'s share capital. None of the shareholders exercises individual control be it via share ownership or by any kind of agreement.</p>
B.17	Credit ratings assigned to the issuer or its debt securities at the request of the issuer in the rating process	<p>Not applicable – neither the Company nor the Programme has been rated.</p>
B.20	A statement whether the issuer has been established as a special purpose vehicle or entity for the purpose of issuing asset-backed	<p>The Company has been established as a securitisation undertaking within the meaning and governed by the Securitisation Act for the purpose of entering into, performing and serving as a vehicle for, any transactions permitted under the Securitisation Act, including but not limited to, issuing asset-backed securities.</p>

Element	Disclosure requirement	
	securities	
B.21	<p>A description of the issuer's principal activities including a global overview of the parties to the programme including information on the direct or indirect ownership or control between those parties</p>	<p>The corporate object of the Issuer is to act as the acquisition and/or issuing entity in the context of securitisation operations governed by and under the Securitisation Act, and more specifically to enter into transactions by which it acquires or assumes, directly or indirectly or through another entity or synthetically, risks relating to receivables, other assets or liabilities of third parties or inherent to all or part of the activities carried out by third parties. The acquisition or assumption of such risks by the Issuer will be financed by the issuance of securities (<i>valeurs mobilières</i>), the value or return of which depends on the risks acquired or assumed by the Issuer.</p> <p>It is anticipated that in respect of an issue of Notes issued using Final Terms, the following parties will perform the following functions:</p> <ul style="list-style-type: none"> (i) Banca March, S.A. as Arranger and Dealer; (ii) GLAS Trustees Limited as Trustee; (iii) Citibank N.A., London Branch as Custodian, Principal Paying Agent, Paying Agent, Issue Agent and Programme Agent; and (iv) Citigroup Global Markets Deutschland AG as Registrar and Transfer Agent, <p>(each a "Programme Party").</p> <p>Each Programme Party's relationship with the Issuer is to act in its respective capacity described above when appointed as such in respect of Notes issued using Final Terms.</p> <p>The Company is a wholly owned subsidiary of Banca March, S.A.</p>
B.22	<p>Statement that the Issuer has not commenced operations and no financial statements have been made up as at the date of the Prospectus</p>	<p>Not applicable. The Issuer is a newly incorporated entity and as of the date hereof has: (i) not commenced operations and (ii) not prepared any financial statements. Accordingly, no such financial statements will be incorporated into this Base Prospectus.</p>
B.23	<p>Selected key historical financial information about the Company</p>	<p>Not applicable. See Element B.22 above.</p>

Element	Disclosure requirement	
B.24	Description of any material adverse change since the date of the Company's last published audited financial statements	There has been no material adverse change in the prospects of the Issuer or any significant change in the financial or trading position of the Issuer since 23 May 2017, being its date of incorporation.
B.25	Description of the compartment assets	The Issuer will, subject to the provisions of the Securitisation Act, use the proceeds from the issue of Notes issued using Final Terms to purchase the Banca March Charged Assets and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of such Notes.
B.26	Parameters within which an actively managed pool of assets backing the issue is managed	Not applicable. Neither the Issuer nor any third party will actively manage the Banca March Charged Assets backing an issuance of Notes issued using Final Terms.
B.27	Statement regarding fungible issues	<p>The Issuer shall be at liberty from time to time, without the consent of the Noteholders, to create and issue further notes so as to be consolidated and form a single Series with the relevant existing Series of Notes.</p> <p>See also Element C.1 below.</p>
B.28	Description of the structure of the transaction	<p>The Issuer may offer Notes to retail clients, professional clients or other eligible counterparties. The Issuer will, subject to the provisions of the Securitisation Act, use the proceeds from the issue of Notes issued using Final Terms to purchase the Banca March Charged Assets (which shall form the Compartment Assets for the relevant Compartment) and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of such Notes.</p> <p>The proceeds of the issue of Notes and the Compartment Assets are exclusively allocated to the Compartment established by the board of the Company in respect of the Notes, and such Compartment Assets will be segregated from the other assets of the Issuer (and other Compartments of the Issuer) and the Company and will be secured in favour of the Trustee on behalf of the Noteholders.</p> <p>The Issuer will also enter into Transaction Documents in connection with the issuance of Notes using Final Terms.</p>
B.29	Description of the flow of funds and other material forms of credit enhancement and providers thereof	See Element B.28 above. There will be no material form of credit enhancement or a credit enhancement provider.
B.30	The name and description of the originators of the compartment assets	The Compartment Assets for Notes issued using Final Terms shall be the Banca March Charged Assets. As a result, the originator of the Charged Assets shall be Banca March, S.A.

Element	Disclosure requirement	
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Section C – the Notes

<p>C.1</p>	<p>A description of the type and the class of the securities being offered and/or admitted to trading, including any security identification number</p>	<p><i>Issuance in Series:</i> Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different Issue Dates. Where Tranches are intended to be fungible, the Notes of each Tranche will all be subject to identical terms, except that the Issue Date and the amount of the first payment of interest may be different in respect of different Tranches and each Tranche may have different denominations.</p> <p><i>[Issue-specific summary</i></p> <p><i>The Notes are issued as Series number [●], Tranche number [●]. The denomination of the Notes is [●]</i></p> <p><i>[The Notes shall be consolidated, form a single Series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as specified in the relevant Final Terms.]]</i></p> <p><i>Form of Notes</i></p> <p>Notes may be issued as Bearer Notes or Registered Notes. Registered Notes will not be exchangeable for Bearer Notes, but Bearer Notes will be exchangeable for Notes in registered form in certain circumstances.</p> <p><i>Bearer Notes</i></p> <p>Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the Final Terms.</p> <p>Each Global Note will be deposited on or around the relevant Issue Date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.</p> <p>If specified in the Final Terms, a Temporary Global Note will either be exchangeable for: (i) a Permanent Global Note; or (ii) Definitive Notes.</p> <p>If the TEFRA D Rules are specified in the Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note.</p> <p>If specified in the Final Terms, a Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms.</p> <p>Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons and</p>
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Element	Disclosure requirement	
		<p>will, if the principal thereof is repayable by instalments, have Receipts attached.</p> <p>Registered Notes</p> <p>Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the Final Terms.</p> <p>Each Tranche of Notes represented by a Global Registered Note will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the Issue Date with the common depository.</p> <p>If specified in the Final Terms, a Global Registered Note may be exchangeable for Individual Registered Notes in accordance with its terms.</p> <p>Security Identification Number(s): In respect of each Tranche of Notes, the relevant security identification number(s) will be specified in the Final Terms.</p> <p>[Issue-specific summary]</p> <p><i>ISIN Code:</i> [●]</p> <p><i>Common Code:</i> [●/]</p>
C.2	Currency	<p>Any currency or currencies (including, without limitation, EUR, GBP, CHF, USD or JPY) as may be agreed between the Issuer and the relevant Dealer, subject to compliance with all applicable legal and regulatory requirements.</p> <p>[Issue-specific summary]</p> <p><i>The Notes are denominated in [●].</i></p>
C.5	A description of any restrictions on the free transferability of the securities	<p>The Notes are freely transferable. However, there are restrictions on the offer and sale of the Notes and the Issuer and the Dealer have agreed restrictions on the offer, sale and delivery of the Notes and on the distribution of offering materials in the United States, the European Economic Area and the United Kingdom.</p> <p>In addition, the Issuer and the Dealer have represented, warranted and agreed that they have complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes.</p>

Element	Disclosure requirement	
C.8	<p>Rights attached to the securities including ranking and limitations to those rights</p>	<p>Status and Security</p> <p>Each Series of Notes will be (i) secured, limited recourse obligations of the Issuer ranking <i>pari passu</i> without preference amongst themselves; and (ii) subject to the Securitisation Act.</p> <p>Security in respect of the Notes of each Series or (provided that the Trustee consents to the same) in respect of any transaction entered into by the Issuer relating to or connected with any arrangement for the issue of any Notes shall be created in accordance with the Principal Trust Deed, by the Supplemental Trust Deed relating to such Series and/or a Supplementary Security Documents (if any) as may be required by the laws of the jurisdiction where the Banca March Charged Assets relating to such Series are held.</p> <p>Limited Recourse and Non-Petition</p> <p>Claims against the Issuer by holders of the Notes and each other creditor relating to such Notes will be limited to the proceeds received by the Issuer in respect of the Compartment Assets applicable to such Notes.</p> <p>If the net proceeds of the realisation of the Compartment Assets are not sufficient to make all payments due in respect of a Series of Notes and due to each other creditor relating to such Notes, no other assets of the Company will be available to meet such shortfall and the claims of the Noteholders and any other creditors relating to such Notes in respect of any such shortfall shall be extinguished.</p> <p>In addition, no party will be able to petition for the winding-up of the Company as a consequence of any such shortfall for so long as any Notes issued by the Issuer are outstanding or for two years plus one day after the latest date on which any Note issued by the Issuer is due to mature.</p> <p>Priority of Claims</p> <p>Following any enforcement of Security, the rights of the Noteholders to be paid amounts due under the Notes will be subordinated to certain other amounts payable by the Issuer as specified in the relevant Supplemental Trust Deed.</p> <p>[Issue-specific summary:</p> <p><i>The Priority of Payments in respect of the Notes shall be:</i></p> <p><i>[Counterparty Priority A]</i></p> <p><i>[Pari Passu Ranking]</i></p> <p><i>[Noteholder Priority]</i></p> <p><i>[Other Priority]</i></p>

Element	Disclosure requirement	
		<p><i>[insert alternative priority of payments if not specified in the Principal Trust Deed]</i></p> <p>Negative Pledge/Restrictions</p> <p>There is no negative pledge. However, so long as any Notes remain outstanding, the Issuer will not, save to the extent permitted by the Transaction Documents, engage in any business other than issuing Notes and entering into the Transaction Documents and Trade Documents in respect of each Series of Notes. In addition, the Issuer will be subject to certain other restrictions including, without limitation that it will not have any subsidiaries or employees, consolidate or merge with any other person or convey or transfer its properties or assets to any person.</p> <p>Notes issued under the Programme will have terms and conditions relating to amongst other matters:</p> <p>Events of Default</p> <p>The terms and conditions of the Notes will contain events of default including non-payment, non-performance or non-observance of the Issuer's obligations in respect of the Notes and the insolvency or winding-up of the Issuer.</p> <p>Extraordinary Expenses</p> <p>Unless specified in the Final Terms that such provision is not applicable, the terms and conditions of the Notes provide that the Calculation Agent may reduce the amounts otherwise payable to Noteholders in respect of interest, principal or other amounts by an amount in aggregate equal to any Extraordinary Expenses payable by the Issuer.</p> <p>Avoided Payments</p> <p>If any payment made by the Issuer to the Noteholders under the Notes which was funded by the Banca March Charged Assets is subsequently avoided under any applicable law and any relevant authority has ordered the Issuer to return or turn over such amount, then the Issuer may deduct such amount (and any interest thereon) from any future amounts that would otherwise be payable to the Noteholders in respect of the Notes.</p> <p>Meetings</p> <p>The terms and conditions of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>

Element	Disclosure requirement	
		<p>Taxation</p> <p>All payments in respect of Notes will be made free and clear of withholding taxes of the Grand Duchy of Luxembourg, as the case may be, unless the withholding is required by any law and/or regulation.</p> <p>Governing law</p> <p>The Notes, the Principal Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Custody Agreement and the Dealer Agreement are or will be governed by and construed in accordance with English Law.</p>
C.9	Interest and yield, name of representative of debt security holder	<p>Please also refer to item C.8 above for rights attaching to the Notes.</p> <p>Interest</p> <p>Interest will be payable at such rate(s) and on such date(s) as may be agreed between the Issuer and the Dealer(s) and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the Dealer(s).</p> <p><i>[Issue-specific summary:</i></p> <p><i>[The Notes will not bear interest other than in the case of late payment]</i></p> <p><i>[Interest shall be calculated in the following manner:</i></p> <p><i>[Fixed Rate Notes]</i></p> <p><i>[Floating Rate Notes]</i></p> <p><i>[Pass-through Notes]]</i></p> <p>Final Redemption</p> <p>Unless previously redeemed, or purchased and cancelled, each Note shall be redeemed at its Redemption Amount on the Maturity Date specified in the Final Terms.</p> <p>Early Redemption</p> <p>Notes may be redeemed prior to their maturity following: (i) a payment default (following the expiry of any applicable Grace Period) in respect of the Banca March Charged Assets; or (ii) the early redemption in whole (or in part, if Partial Prepayment of Charged Assets is specified as applicable in the Final Terms and such partial redemption is other than by reason of payment default or a scheduled amortisation of Banca March Charged Assets) or restructuring of the Banca March Charged Assets.</p> <p>If specified as applicable in the Final Terms, the Notes may be redeemed prior to their maturity in whole or in part following the: (i) occurrence of certain tax events or other events that may</p>

Element	Disclosure requirement	
		<p>render the Issuer's obligations under or in connection with the Notes or the Banca March Charged Assets unlawful; (ii) exercise of the Noteholder's Option or Issuer's Redemption Option; (iii) scheduled amortisation of the Banca March Charged Assets; or (iv) the exercise by the Issuer of its purchase option.</p> <p>If early redemption following Partial Prepayment of Charged Assets is specified as not applicable in the Final Terms, the Issuer shall pay to the Noteholders an amount equal to any amounts of principal (other than a scheduled amortisation amount) it receives in respect of a prepayment of the Banca March Charged Assets as an Instalment Amount in respect of the Notes.</p> <p>If Pass-Through Notes are specified as applicable in the Final Terms, the Issuer shall pay to the Noteholders an amount equal to any amounts (other than in respect of interest or principal) it receives in respect of the Banca March Charged Assets as an additional interest amount in respect of the Notes.</p> <p>Yield</p> <p>In the case of Notes that bear or pay interest at a fixed rate, the yield will be specified in the applicable Final Terms and will be calculated as the rate of interest that, when used to discount each scheduled payment of interest and principal under the Notes from the Maturity Date back to the Issue Date, yields amounts that sum to the Issue Price. An indication of the yield may only be calculated for Fixed Rate Notes and may not be determined for Floating Rate Notes or Pass-through Notes.</p> <p>Name of representative of Noteholders</p> <p>GLAS Trustees Limited (acting in its capacity as Trustee) shall be the representative of the Noteholders.</p>

Element	Disclosure requirement	
C.10	Derivative Component:	<p>If Pass-Through Notes are specified as being applicable in the Final Terms, the amount (if any) payable in respect of interest shall be an amount equal to each Note's <i>pro rata</i> share of interest received by the Issuer under the Banca March Charged Assets. If the Issuer does not receive payments of interest in respect of the Banca March Charged Assets then no interest will be payable under the Notes. As a consequence, the Noteholders may receive no payment in respect of interest and may lose the entire value of their investment in the Notes.</p> <p>See also Elements C.9 above.</p>
C.11	Listing and admission to trading of the Notes	<p>Applications will be made to the Irish Stock Exchange for Notes issued using Final Terms within 12 months of the date of the Base Prospectus to be admitted to the official list (the "Official List") and trading on its regulated market (the "Main Securities Market").</p> <p><i>[Issue-specific summary:</i></p> <p><i>[Application will be made to the Irish Stock Exchange for the Notes to be admitted to the official list (the "Official List") and trading on its regulated market (the "Main Securities Market").</i></p> <p><i>[The Issuer does not intend to make any application for the Notes to be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system]</i></p>
C.12	Minimum Denomination	<p>The Issuer may issue Notes with a denomination of less than EUR 100,000 (or its equivalent in any other currency) or greater than EUR 100,000 (or its equivalent in any other currency).</p> <p><i>[Issue-specific summary:</i></p> <p><i>Authorised Denomination: [•]</i></p>
C.21	Listing	Please see the information set out at Element C.11 above.

Section D – Risks

D.2	Key information on the key risks that are specific to the issuer	<p>The Issuer is exposed to interest rate risk, credit risk, liquidity risk and currency risk arising from the financial instruments (such as the Notes) it holds as set out below.</p> <p><i>Interest rate risk</i></p> <p>Interest rate risk is the risk that the value of financial instruments (such as the Notes) will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Issuer to cash flow interest rate risk. Borrowings issued at fixed rates expose the Issuer to fair value interest rate risk.</p> <p><i>Credit risk</i></p>
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Element	Disclosure requirement	
		<p>Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets. The Issuer has no significant concentration of credit risk.</p> <p><i>Liquidity risk</i></p> <p>Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses.</p> <p><i>Currency risk</i></p> <p>Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Issuer's measurement currency. The Issuer is exposed to foreign exchange risk arising from various currency exposures primarily with respect to EUR.</p>
D.3	Risks Specific to the Notes	<p>In addition to the risks relating to the Issuer (including the default risk) that may affect the Issuer's ability to fulfil its obligations under the Notes, there are certain factors which are material for the purposes of assessing the market risks associated with Notes issued under the Programme, including that: (i) the obligation of the Issuer in respect of a Series of Notes shall be limited to the net proceeds the Issuer receives or recovers from the realisation of the Compartment Assets in respect of a Series of Notes (if there are no such proceeds Noteholders may lose all or part of their entire investment); (ii) the trading market for Notes may be volatile and may be adversely impacted by many events; (iii) an active secondary market may never be established or may be illiquid and this may adversely affect the value at which an investor may sell its Notes (investors may suffer a partial or total loss of the amount of their investment); (iv) the Notes may be redeemed prior to maturity (see Element C.9 above for further information on the circumstances under which all or part of a Series of Notes may be redeemed prior to their maturity); (v) the meetings of Noteholders provisions permit defined majorities to bind all Noteholders; (vi) if the Priority Secured Creditor is not the Noteholder, then the Trustee may act on the instructions of such Priority Secured Creditor and prefer the interests of such Priority Secured Creditor over those of the Noteholders and shall not take into account the interests of the Noteholders, which could be prejudicial to Noteholders. In addition, if the Priority Secured Creditor is the Noteholder and a Noteholder does not form part of the Instructing Noteholder Group the Trustee may act on the request of such Instructing Noteholder Group even if such Noteholder does not agree or consent to such request; or (vii) any judicial decision or change to an administrative practice or change to English law after the date of the Base Prospectus could materially adversely impact the value of any Notes affected by it.</p>

Element	Disclosure requirement	
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Section E – Offer

E.2b	Reasons for the offer and use of proceeds	See Element B.28 above.
E.3	A description of the terms and conditions of the offer	<p>Notes may be issued at any price as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the Dealer at the time of issue in accordance with prevailing market conditions. The Terms and Conditions of the Notes of any Authorised Offer shall be published by the relevant Authorised Offeror on its website at the relevant time.</p> <p><i>[Issue-specific summary</i></p> <p><i>The Issue Price of the Notes is [•] per cent. of their principal amount.]</i></p>
E.4	Interest material to the offer including conflicts of interests	<p>The Issuer has appointed Banca March, S.A. as the Dealer for the Programme. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealer is set out in the Dealer Agreement between the Issuer and the Dealer.</p> <p>The relevant Dealer may be paid fees in relation to any issue of Notes under the Programme. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.</p> <p><i>[Issue-specific summary</i></p> <p><i>[Syndicated Issue: The Issuer has appointed [•], [•] and [•] (the "Managers") as Managers of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, Managers are set out in the Subscription Agreement made between the Issuer and the Managers]</i></p> <p><i>[Non-Syndicated Issue: The Issuer has appointed [•] (the "Dealer") as Dealer in respect of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, the Dealer are set out in the Dealer Agreement made between, amongst others, the Issuer and the Dealer]</i></p>
E.7	Estimated expenses charged to the investor	No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Notes. Any expenses chargeable by an Authorised Offeror to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and all other information contained in this Base Prospectus, including, in particular, the risk factors described below. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

Prospective investors should note that the risks relating to the Issuer and the Notes summarised in the section of this Base Prospectus headed "Summary" are the risks that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as the risks which the Issuer faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Base Prospectus headed "Summary" but also, amongst other things, the risks and uncertainties described below.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.

General Risks

Complex Instruments

The Notes are complex instruments that involve substantial risks and are suitable only for sophisticated investors who have sufficient knowledge and experience and access to such professional advisers as they shall consider necessary in order to make their own evaluation of the risks and the merits of such an investment (including without limitation the tax, accounting, credit, legal, regulatory and financial implications for them of such an investment) and who have considered the suitability of such Notes in light of their own circumstances and financial condition. Prospective investors should ensure that they understand the nature of the risks posed by an investment in the Notes, and the extent of their exposure as a result of such investment in the Notes and, before making their investment decision, should consider carefully all of the information set forth in this Base Prospectus and, in particular, the considerations set forth below. Owing to the structured nature of the Notes, their price may be more volatile than that of unstructured securities.

The Issuer believes that the following factors may affect its ability to fulfil its scheduled obligations under the Notes issued under the Programme. The Issuer is not in a position to express a view on the likelihood of any contingency highlighted by a risk factor occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or the reduction of any such amounts may occur for other reasons not set out herein and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the applicable Issue Terms, and reach their own views prior to making any investment decision.

The risk factors identified in this Base Prospectus are provided as general information only and the Arranger and the Dealer(s) disclaim any responsibility to advise purchasers of Notes of the risks and investment considerations associated therewith as may exist at the date hereof or as may from time to time alter. Additional risk factors may be set out in any Alternative Drawdown Document for any Series

and prospective purchasers should also read those risk factors in connection with the Notes to which such Alternative Drawdown Document relates.

Investors

Each prospective investor in Notes should have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal and interest may reduce as a result of the occurrence of different events whether related to the creditworthiness of any entity or otherwise or changes in particular rates, prices, values or indices, or where the currency for principal or interest payments is different from the prospective investor's currency, including a loss of their entire invested amount and any potential returns related to it.

Investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its professional advisers to determine whether and to what extent (i) the Notes are legal investments for it, and/or (ii) other restrictions apply to its purchase of any Notes. Financial institutions should consult their professional advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

For the purposes of these risk factors, references to "Noteholders" or "holders" of Notes should generally be read as including holders of beneficial interests in such Notes, except where the context otherwise requires.

No Investigation

No investigations, searches or other enquiries have been made by or on behalf of the Issuer or the Trustee in respect of the Charged Assets or the issuers and obligors of the Charged Assets.

No fiduciary role

None of the Issuer, the Trustee, the Arranger, the Dealer(s) or the Agents or any of their respective affiliates is acting as an investment adviser or as adviser in any other capacity, and none of them (other than the Trustee under the Trust Deed) assumes any fiduciary obligation to any purchaser of Notes or any other party, including the Issuer.

None of the Issuer, the Arranger, the Trustee, the Dealer(s) or any of the other transaction parties assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any issuer or obligor of any Charged Assets.

No reliance

A prospective purchaser may not rely on the Issuer, the Arranger, the Trustee, the Dealer(s) or the Agents or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to any of the other matters referred to above.

No representations

None of the Issuer, the Arranger, the Trustee, the Dealer(s) or the Agents makes any representation or warranty, express or implied, in respect of any:

- (i) Charged Assets or in respect of any information contained in any documents prepared, provided or filed in respect of such Charged Assets with any exchange, governmental, supervisory or self-regulatory authority or any other person; or
- (ii) issuer or obligor of any Charged Assets or in respect of any information contained in any documents prepared, provided or filed by or on behalf of such issuer or obligor with any exchange, governmental, supervisory or self-regulatory authority or any other person.

None of the Arranger, the Trustee, the Dealer(s) or the Agents makes any representation or warranty, express or implied, in respect of the Issuer or in respect of any information contained in any documents prepared, provided or filed by or on behalf of the Issuer.

Risks related to the Issuer

Securitisation Act and Compartments

The Company is established as a *société de titrisation* (securitisation company) in the form of a *société anonyme* (public limited liability company) within the meaning of the Securitisation Act. The board of the Company (the "**Board**") will establish one or more Compartments. Each Compartment is a separate and distinct part of the Company's estate (*patrimoine*) which may be distinguished by the nature of acquired risks or assets, the Conditions of the Notes issued in relation to the Compartment comprising the Terms and Conditions and the relevant Issue Terms of the relevant Series.

This means that claims against the Company by the Secured Creditors (including the Noteholders) in respect of each Series of Notes issued by the Issuer will be limited to the net proceeds of the relevant Compartment Assets. Further, under the Securitisation Act, the net proceeds of the Compartment Assets for each Series are available only for distribution to the Noteholders and other creditors relating to such Series.

A creditor of the Company may have claims against the Company in respect of more than one Series or Compartment, in which case the claims in respect of each individual Series issued by the Issuer will be limited to the net proceeds of the relevant Compartment Assets only. Assets held in different Compartments of the Company are deemed to be assets of separate entities for the purpose of creditors.

The specific terms of each Compartment and the Conditions of the Notes issued in respect of it shall be determined by the Board. Each Noteholder shall be deemed to fully adhere to, and be bound by, the Conditions applicable to the relevant Notes.

Subject as may be specified in the articles of association of the Company dated 23 May 2017 (the "**Articles**") and to any particular rights or limitations for the time being attached to any Notes, including, without limitation, the relevant Conditions thereof, if the Compartment Assets are liquidated, the net proceeds of liquidation shall be applied in the order set out in the Conditions. The rights of Noteholders and other Secured Creditors in respect of a Series of Notes are limited to the Compartment Assets, where these rights relate to that Compartment or have arisen upon the occasion of the creation, the operation or the liquidation of the relevant Compartment. The assets of a Compartment are, in principle, available only to satisfy the rights of the Noteholders of Notes issued in relation to that Compartment and the rights of creditors whose claims have arisen at the occasion of the creation, the operation or the liquidation of that Compartment (including the other Secured Creditors).

Fees, expenses and other liabilities incurred on behalf of the Company but which do not relate specifically to any Compartment may, under certain circumstances, be payable out of the assets allocated to Compartments. The Board shall ensure, to the extent possible (although there is no guarantee that the Board will be able to achieve this), that creditors of such other liabilities expressly waive recourse to the assets of any Compartment. The Board shall establish and maintain separate accounting records for each of the Compartments of the Company for the purposes of ascertaining the rights of the Noteholders of Notes issued in respect of each Compartment for the purposes of the Articles and the Conditions, and such accounting records shall be conclusive evidence of such rights in the absence of manifest error.

The Compartment Assets may include the proceeds of the issue of the Notes of the relevant Series and the Charged Assets. The fees, costs and expenses in relation to the Notes of each Series are allocated to the Compartment relating to the relevant Series in accordance with the Conditions and the Articles.

The Company is a special purpose vehicle

The Company's sole business is the raising of money by issuing Notes or entering into certain other obligations within the limits of the Securitisation Act (in respect of each Series, the "**Issuer**"), in each case for the purposes of purchasing assets and/or entering into related derivatives and other contracts. The Issuer has covenanted (amongst other things) not, as long as any Note remains outstanding, to engage in any business other than acquiring and holding any Charged Assets, issuing Notes, entering into the Transaction Documents and the Trade Documents in respect of each Series of Notes, acquiring and holding other assets similar to the Charged Assets and not to incur or permit to subsist any indebtedness for borrowed money whatsoever or give any guarantee or indemnity in respect of indebtedness other than issuing further Notes **provided always that**, amongst other things, such obligations are secured on assets

of the Issuer other than: (i) the relevant Compartment Assets; and (ii) the Issuer's share capital, and that they are entered into on a limited recourse and non-petition basis.

In addition, the Issuer will be subject to certain other restrictions including that it will not have any subsidiaries or employees, have any premises, consolidate or merge with any other person, convey or transfer its assets substantially as an entity to any person (other than as contemplated by the Conditions). As such, the 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 Compartment Assets and any other assets on which Notes or other obligations are secured. The Notes are solely obligations of the Issuer and no other party has any obligation to the Noteholders for payment of any amount due in respect of the Notes.

There is no certainty that Noteholders will recover any amount payable under the Notes. Due to the "limited recourse" nature of the Notes, claims in respect of the Notes are limited to the net proceeds of enforcement of the Compartment Assets. Noteholders will have no recourse to the Issuer beyond the amounts derived by or on behalf of the Issuer in respect of the Compartment Assets.

Contracting on a Limited Recourse basis and non-petition basis

The rights of Noteholders to participate in the assets of the Issuer are limited to the net proceeds of the Compartment Assets. If the payments received by the Issuer in respect of the Compartment Assets are not sufficient to make all payments due in respect of the Notes, the obligations of the Issuer in respect of the Notes will be limited to the Compartment Assets.

To give effect to the provisions of the Securitisation Act under which the net proceeds of the Compartment Assets of a Compartment are available only for the transaction parties for the relevant Series relating to that Compartment, the Issuer is (subject as provided for in the Trust Deed) permitted only to contract with parties on a "limited recourse" basis such that claims against the Issuer in relation to each Series would be restricted to the net proceeds of the Compartment Assets of the Compartment for the relevant Series. In addition, the Issuer is (subject as provided for in the Trust Deed) permitted only to contract with parties on a "non-petition" basis (for the purpose of these risk factors contracting on a "non-petition" basis means that the Issuer has entered into a contract or arrangement under which a provision substantially in the form, or with the effect, of Condition 12.6 (*Non-Petition*) of the terms and conditions of the Notes is included in such other contract or arrangement). Provided such parties have agreed a non-petition clause, no such party will be able to petition or take any other step for the winding-up or the bankruptcy of the Company or any other similar insolvency related proceedings in Luxembourg. However, there is no guarantee that all claims which arise against the Company will be on a limited recourse and non-petition basis, in particular claims arising from parties which have no direct contractual relationship with the Issuer.

The Compartment Assets relating to one or more Compartments may be subject to claims by creditors other than the relevant transaction parties for the relevant Series (including creditors whose claims are preferred by law), resulting in a shortfall in the amounts available to meet the claims of the relevant transaction parties. Noteholders may be exposed to competing claims of other creditors of the Company if foreign courts which have jurisdiction over assets of the Company allocated to a Compartment do not recognise the segregation of assets and their compartmentalisation, as provided for in the Securitisation Act. The claims of these other creditors may affect the scope of assets which are available for the claims of Noteholders and those of the transaction parties. If, as a result of such claims, a shortfall arises, such shortfall will be borne by the Noteholders and the transaction parties.

Allocation of Liabilities among all Noteholders

Any liability which is not a Series-specific liability (that is, it does not relate to any Compartment in respect of which a Series of Notes is issued) which is not otherwise funded may be apportioned between the Series. The apportionment of such liability will reduce the return that would otherwise have been payable on such Notes. The Issuer will seek to contract with all counterparties on a limited recourse basis such that claims in respect of any liability which is not Series-specific may not be made in respect of the assets of any Compartment.

The rights of creditors (the "**Non Compartment-Specific Claims Creditors**") whose claims have not arisen in connection with the creation, operation or liquidation of a Compartment and which have not

waived their recourse to the assets of any Compartment can be paid out of the general estate of the Issuer. Alternatively they may be apportioned by the Board of Directors of the Issuer between the Issuer's compartments on a *pro rata* basis by reference to the assets of those compartments or on such other basis as it may deem more appropriate where the relevant Conditions or the Articles expressly authorise Non Compartment-Specific Claims Creditors to have recourse against the rights and assets allocated to such Compartments.

Consequences of Winding-up Proceedings

The Company is structured to be an insolvency remote vehicle.

The Company is (subject as provided for in the Trust Deed) permitted only to contract with parties who agree not to make any application for the commencement of winding-up, or bankruptcy or similar proceedings against the Company. Legal proceedings initiated against the Company in breach of these provisions shall, in principle, be declared inadmissible by a Luxembourg court.

However, if the Company fails for any reason to meet its obligations or liabilities, a creditor who has not (and cannot be deemed to have) accepted non-petition and limited recourse provisions in respect of the Company is entitled to make an application for the commencement of insolvency proceedings against the Company. In that case, such creditor (other than a Non-Compartment Specific Claims Creditor or a Compartment Specific Claims Creditor) should not have recourse to the assets of any Compartment but would have to exercise his rights over the general assets of the Company, but not to the assets of any other Compartment.

Furthermore, the commencement of such proceedings may, in certain conditions, entitle creditors to terminate contracts with the Company and claim damages for any loss suffered as a result of such early termination.

The Company is insolvency remote, not insolvency proof.

Certain powers may not be enforceable under Luxembourg Law

Certain powers of the Trustee or any receiver as conferred upon it under the Law of Property Act 1925 or the Insolvency Act 1986 may not be enforceable under Luxembourg law.

Fees and Expenses

The Noteholders should note that, in relation to a Series of Notes, fees and expenses (including fees payable to the Arranger and/or the Trustee) as set out in the applicable Issue Terms may rank senior to payments of principal and interest on the Notes.

Extraordinary Expenses

Unless specified in the applicable Issue Terms that such provision is not applicable, the Conditions state that if, on the date that the Issuer is due to pay to Noteholders any amount in respect of interest, principal or other amounts, the Issuer has due and payable amounts in respect of Extraordinary Expenses (as defined in the Conditions), the Calculation Agent acting on behalf of the Issuer shall reduce such amounts otherwise payable to the Noteholders by an amount in aggregate equal to such Extraordinary Expenses so as to permit the Issuer to satisfy such Extraordinary Expenses, the creditors in respect of which may not be note creditors. Noteholders will not at any time have any right to receive any or all of the amounts so deducted.

Evolution of international fiscal policy

The Grand Duchy of Luxembourg has concluded a number of double taxation treaties with other member states. It may be necessary or desirable for the Company to seek to rely on such treaties particularly in respect of income and gains of the Issuer. Whilst each double taxation treaty needs to be considered individually taking into account fiscal practices primarily of the country from which relief is sought, a number of requirements need to be met. These requirements may include ensuring that an entity is resident in Luxembourg, is subject to taxation on income and gains in Luxembourg and is also beneficial owner of such income and gains.

Fiscal policy and practice is constantly evolving and at present the pace of evolution has quickened due to a number of developments which include, but are not limited to, the Organisation for Economic Co-operation and Development ("OECD") base erosion and profit shifting project. Any fiscal policy change may or may not be accompanied by a formal announcement by any fiscal authority or the OECD. As a result, there can be no certainty that the Company will be able to rely on double taxation treaties because fiscal practice in relation to the construction of double taxation treaties and the operation of the administrative processes surrounding those treaties may be subject to change.

Regulation of the Issuer by any regulatory authority

Save for registration with the trade and companies register in Luxembourg, the Issuer is not required to be licensed, registered or authorised under any current securities, commodities, insurance or banking laws or regulations of its jurisdiction of incorporation. There is no assurance, however, that in the future such regulatory authorities would not take a contrary view regarding the applicability of any such laws or regulations to the Issuer. There is also no assurance that the regulatory authorities in other jurisdictions would not require the Issuer to be licensed or authorised under any securities, commodities, insurance or banking laws or regulations of those jurisdictions. Any requirement to be licensed or authorised could have an adverse effect on the Issuer and on the holders of the Notes.

Anti-money laundering

The Company may be subject to anti-money laundering legislation in its jurisdiction of incorporation. If the Company were determined by the relevant authorities to be in violation of any such legislation, it could become subject to substantial criminal penalties. Any such violation could materially and adversely affect the timing and amount of payments made by the Company to Noteholders in respect of the Company's Notes.

Risks related to the Notes

Noteholders may have no direct proprietary interest in the Compartment Assets

Noteholders will have no direct proprietary interest in the Compartment Assets other than the Security (if any) created by the Issuer in favour of the Trustee for itself and on behalf of the Secured Creditors, as described in the Conditions. **Provided that** no Event of Default has occurred, the rights in respect of the Compartment Assets are exercisable by the Issuer in accordance with the Conditions.

Following the occurrence of an Event of Default, the Trustee may, but need not, exercise any rights, (including voting rights) in respect of such Compartment Assets (and in either case shall bear no liability for so exercising or electing not to exercise); **provided that** it shall (subject to it being indemnified and/or prefunded and/or secured to its satisfaction) exercise any such rights if requested to do so by the Priority Secured Creditor, which request can be made, if the Priority Secured Creditor is the Noteholder, by means of an Extraordinary Resolution or in writing from the Noteholders whose Notes constitute at least one fifth in Principal Amount of the Notes outstanding and if the Trustee does exercise any such rights pursuant to such request, it will bear no liability for so doing.

Security

The Notes will have the benefit of Luxembourg (to the extent the relevant Charged Assets are situated in Luxembourg) and English law-governed security interests (and, in certain circumstances, security interests governed by the laws of any other relevant jurisdiction) which are granted to the Trustee (for the benefit of the transaction parties and the Noteholders from time to time for the relevant Series) over the Compartment Assets. The Charged Assets and any related cash in respect of such security arrangements will be held on a pooled basis in respect of the relevant Series and not allocated to specified accounts.

The Securitisation Act provides that the net proceeds of the Compartment Assets for each Series of Notes are available to meet only the claims of Secured Creditors (including the Noteholders) for that Series.

Meetings of Noteholders, written resolutions, modification, waivers and substitution

The Trust Deed contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain written resolutions on matters relating to the Notes from Noteholders without calling a meeting. A written resolution signed by or on behalf of all Noteholders who for the time

being are entitled to receive notice of a meeting of Noteholders will, for all purposes, be deemed to be an Extraordinary Resolution.

In certain circumstances, where the Notes are held on behalf of a clearing system, the Issuer and the Trustee will be entitled to rely upon approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communication systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate nominal amount of the Notes for the time being outstanding, and such electronic consents shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

A written resolution or an electronic consent described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Trust Deed. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or in respect of the relevant resolution (or participate in the written resolution or electronic consent, as the case may be) and Noteholders who voted in a manner contrary to the majority (either in a meeting or by written resolution). The Trustee may, in certain circumstances (as set out in the Trust Deed) and without the consent of Noteholders, (i) agree to certain modifications of, or the waiver or authorisation of any breach or proposed breach of, the terms and conditions of the Notes or (ii) determine that any Event of Default or Potential Event of Default shall not be treated as such.

Trustee indemnity and remuneration

In certain circumstances, the Noteholders may be dependent on the Trustee to take certain actions in respect of a Series of Notes, in particular if the Security in respect of such Series becomes enforceable under the Conditions. Prior to taking such action, the Trustee may require to be indemnified and/or secured and/or prefunded to its satisfaction. If the Trustee is not indemnified and/or secured and/or prefunded to its satisfaction it may decide not to take such action and such inaction will not constitute a breach by it of its obligations under the Trust Deed. Consequently, the Noteholders would have to either arrange for such indemnity and/or security and/or prefunding or accept the consequences of such inaction by the Trustee. Noteholders should be prepared to bear the costs associated with any such indemnity and/or security and/or prefunding and/or the consequences of any such inaction by the Trustee. Such inaction by the Trustee will not entitle Noteholders to take action directly against the Issuer to pursue remedies for any breach by the Issuer of the Trust Deed, the Notes or the Coupons (although the events giving rise to the need for Trustee action might also permit the Noteholders to exercise certain rights directly under the Conditions).

So long as any Note is outstanding, the Issuer shall pay the Trustee remuneration for its services. Such remuneration may reduce the amount payable to Noteholders.

Priority of Claims

During the term of the Notes or on an enforcement of the Security, the rights of the Noteholders to be paid amounts or delivered assets due under the Notes will be subordinated to (i) the Issuer's share of the payment or satisfaction of all taxes owing by the Company; (ii) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the Security (including any taxes to be paid, legal fees and remuneration); (iii) to the extent applicable, certain amounts owing to the Custodian, the Principal Paying Agent and the other Agents in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and fees, costs, charges, expenses and liabilities; and (iv) any other claims as specified in the Conditions as may be amended by the Issue Terms relating to the relevant Series of Notes, that rank in priority to the Notes.

No gross-up

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

Early redemption of the Notes

The Notes may be redeemed on a date other than on a final redemption on the Maturity Date upon the occurrence of (i) certain tax events with respect to the Notes or the Charged Assets; (ii) payment default, restructuring or early redemption of the Charged Assets; (iii) on receipt of unscheduled amounts in respect of the Charged Assets; or (iv) upon the occurrence of further events as will be more particularly described in the Issue Terms of the relevant Series of Notes.

In addition, either the Noteholders and/or the Trustee (dependent on the relevant event and as specified in the Conditions) may have the right to direct a redemption of the Notes upon the occurrence of an Event of Default with respect to the Notes.

The amounts payable to Noteholders following such early redemption may be less than the full value of their initial investment in the Notes and may be nil.

Market Value of Notes

The market value of the Notes will be affected by a number of factors, including, but not limited to (i) the value and volatility of the Charged Assets and the creditworthiness of the issuers and obligors of any Charged Assets; (ii) the value and volatility of any index, securities, commodities or other obligations to which payments on the Notes may be linked, directly or indirectly, and the creditworthiness of the issuers or obligors in respect of any securities or other obligations to which payments on the Notes may be linked, directly or indirectly; (iii) market perception, interest rates, yields and foreign exchange rates; and (iv) the time remaining to the Maturity Date.

Prospective purchasers should be aware that not all market participants would determine prices in respect of the Notes in the same manner, and the variation between such prices may be substantial. Accordingly, any prices provided by the Dealer may not be representative of prices that may be provided by other market participants. For this reason, any price provided or quoted by a Dealer should not be viewed or relied upon by prospective purchasers as establishing, or constituting advice by the Dealer concerning, the value of the Notes. The price (if any) provided by the Dealer is at the absolute discretion of that Dealer and may be determined by reference to such factors as it sees fit. Any such price may take into account fees, commissions or arrangements entered into by the Dealer with a third party in respect of the Notes and that Dealer shall have no obligation to any Noteholder to disclose such arrangements. Any price given would be prepared as of a particular date and time and would not, therefore, reflect subsequent changes in market values or any other factors relevant to the determination of the price.

Authorised Denominations may involve integral multiples

Notes may have Authorised Denominations of a certain amount plus one or more integral multiples of a smaller amount (the "**Integral Multiples**") in excess thereof, in which case (i) for so long as the relevant clearing systems so permit, the Notes will be tradable only in the minimum authorised denomination of the Authorised Denomination and the Integral Multiples and (ii) it is possible that the Notes may be traded in amounts in excess of the Authorised Denomination that are not Integral Multiples of the Authorised Denomination. A Noteholder who, as a result of trading such amounts as contemplated in (ii) above, holds an amount which is less than the Authorised Denomination in its account with the relevant clearing system at the relevant time may need to purchase a principal amount of Notes such that its holding amounts to not less than the Authorised Denomination in order to be able to transfer its Notes (subject in all cases to the rules and procedures of the relevant clearing system).

Priority Secured Creditor

Following the occurrence of an Event of Default, the Trustee may, but need not, exercise any rights, (including voting rights) in respect of the relevant Compartment Assets (and in either case shall bear no liability for so exercising or electing not to exercise); **provided that** it shall (subject to it being indemnified and/or prefunded and/or secured to its satisfaction) exercise any such rights if requested to do so by the Priority Secured Creditor which request can be made, if the Priority Secured Creditor is the Noteholders, by means of an Extraordinary Resolution or in writing from the Noteholders whose Notes constitute at least 20 per cent. in Principal Amount of the Notes outstanding ("**Instructing Noteholder Group**") and if the Trustee does exercise any such rights pursuant to such request, it will bear no liability for so doing.

In addition, if Noteholder Charged Asset Voting Rights is specified as not applicable in the relevant Issue Terms, prior to the occurrence of an Event of Default the Issuer shall exercise any voting or other discretionary rights that it has in respect of the Charged Assets in accordance with the instructions of the Priority Secured Creditor.

If the Priority Secured Creditor is not the Noteholders, then the Trustee may act on the instructions of such Priority Secured Creditor and prefer the interests of such Priority Secured Creditor over those of the Noteholders and shall not take into account the interests of the Noteholders, which could be prejudicial to Noteholders. The Priority Secured Creditor shall exercise such direction rights in accordance with its own interests and any direction given by the Priority Secured Creditor to the Issuer or the Trustee (as applicable) may be prejudicial to the interests of the Noteholders.

If the Priority Secured Creditor is the Noteholders and a Noteholder does not form part of the Instructing Noteholder Group, the Trustee may act on the request of such Instructing Noteholder Group even if such Noteholder does not agree or consent to such request. Furthermore, where the Trustee receives conflicting instructions from different Instructing Noteholder Groups, it shall follow the instructions of the Instructing Noteholder Group representing the greater Principal Amount of Notes of such Series or, if the Instructing Noteholder Groups represent the same Principal Amount of Notes, it shall follow the instructions of the first of such Instructing Noteholder Groups to have instructed it. As a result, even if a Noteholder is part of a Noteholder Instructing Group the Trustee may not act on its instructions and may act contrary to the instructions of such Noteholder.

Avoided Payments

If any payment made by the Issuer to the Noteholders under the Notes which was funded by the Charged Assets is subsequently avoided under any applicable law and any relevant authority has ordered the Issuer to return or turn over such amount, then the Issuer may deduct such amount (and any interest thereon) from any future amounts that would otherwise be payable to the Noteholders in respect of the Notes.

US Risk Retention

Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank Act**") inserted a new Section 15G into the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") that generally requires the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for the purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The final rules promulgated under section 15G of the Exchange Act (the "**U.S. Risk Retention Rules**") came into effect on 24 December 2016 with respect to all classes of asset-backed securitizations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization is its sponsor.

No sponsor of the Issuer intends to retain at least 5 per cent. of the credit risk of the securitized assets for purposes of compliance with the U.S. Risk Retention Rules, and therefore the Notes will be offered and sold in a transaction that complies with the exemption for certain foreign transactions set out in section 20 of the U.S. Risk Retention Rules. To comply with the terms of the exemption, Notes will not be offered or sold for the account of any "**U.S. Person**", as defined in the U.S. Risk Retention Rules (a "**U.S. Risk Retention Person**"). Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is not the same as the definition of U.S. person under Regulation S. Investors that are not "U.S persons" under Regulation S may be U.S. persons under the U.S. Risk Retention Rules.

The definition of U.S. person in the U.S. Risk Retention Rules is excerpted in relevant part below. Particular attention should be paid to clause (h)(i), which is materially different from the corresponding provision of Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "**U.S. person**" means any of the following:

- (a) any natural person resident in the United States;

- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States¹;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i.) organised or incorporated under the laws of any foreign jurisdiction; and
 - (ii.) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act².

Each holder of a Note or a beneficial interest therein acquired on the Issue Date, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Arranger, the Trustee, the Registrar, the Paying Agents and the Dealer that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

No assurance can be given as to whether a failure of the transaction by the Issuer to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization market generally is uncertain, and a failure by the Issuer to comply with the U.S. Risk Retention Rules could therefore negatively affect the value and secondary market liquidity of the Notes.

None of the Arranger, the Issuer, the Trustee, the Registrar, the Paying Agents, the Dealer or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Base Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the date hereof or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Risks relating to the Charged Assets

Charged Assets

The Charged Assets relating to any Notes will be subject to credit, liquidity and interest rate risks. In the event of an insolvency of the issuer or obligor in respect of any Charged Assets, various insolvency and related laws applicable to such issuer or obligor may (directly or indirectly) limit the amount the Issuer or the Trustee may recover in respect of such Charged Assets. In addition, the Charged Assets in respect of a Series of Notes may be less liquid and more volatile than the Banca March Charged Assets.

¹ The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."

² The comparable provision from Regulation S "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the [Securities Act], unless it is organised or incorporated, and owned, by accredited investors (as defined in [17 CFR 230.501(a)]) who are not natural persons, estates or trusts."

If Notes redeem other than on a final redemption on the Maturity Date, the Charged Assets relating thereto will be sold or otherwise liquidated. No assurance can be given as to the amount of proceeds of any sale or liquidation of such Charged Assets at that time since the market value of such Charged Assets will be affected by a number of factors including but not limited to (i) the creditworthiness of the issuers and obligors of the Charged Assets; (ii) market perception, interest rates, yields and foreign exchange rates; (iii) the time remaining to the scheduled maturity of the Charged Assets; and (iv) the liquidity of the Charged Assets. Accordingly, the price at which such Charged Assets is sold or liquidated may be at a discount (which could be substantial) to the market value of the Charged Assets on the Issue Date and the proceeds of any such sale or liquidation when taken together with any other assets available to the Issuer that relate to the relevant Series of Notes may not be sufficient to repay the full amount of principal of and interest on the relevant Notes that the holders of such Notes would expect to receive in the event that the Notes were redeemed in accordance with their terms on their Maturity Date.

The Arranger and the Dealer may have acquired, or during the terms of the Notes may acquire, confidential information or enter into transactions with respect to any Charged Assets and they shall not be under any duty to disclose such confidential information to any Noteholder, the Issuer, the Trustee, the Arranger, the Dealer or the Agents.

Provision of information

Save as disclosed in this Base Prospectus, neither the Issuer nor the Dealer (i) has provided or will provide prospective purchasers of Notes with any information or advice with respect to the Banca March Charged Assets or (ii) makes any representation as to the credit quality of the Banca March Charged Assets. The Issuer and/or the Dealer may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Banca March Charged Assets which will not be disclosed to Noteholders. The timing and limited scope of the information provided to Noteholders regarding the Banca March Charged Assets may affect the liquidity of the Notes and the ability of Noteholders to value the Notes accordingly. None of the Issuer or the Dealer is under any obligation to make such information, whether or not confidential, available to Noteholders.

No claim against any obligor of the Charged Assets

The Notes will not represent a claim against the obligor of the Charged Assets and, in the event of any loss, a Noteholder will not have recourse under the Notes to the obligor of the Charged Assets.

Risks relating to other Parties

Risks relating to the Custodian

Charged Assets in the form of cash or transferable securities may be held in an account of the Custodian in the name of the Issuer. Where the Charged Assets consist of assets other than cash or transferable securities, the Charged Assets may be held in the name of the Issuer or under the control of the Custodian or in such other manner as is approved by the Trustee.

The ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Agency Agreement for the Notes (if the Charged Assets are so held). Consequently, the Noteholders are relying on the ability of the Custodian to perform its obligations under the Agency Agreement for such Notes.

Any cash deposited with the Custodian by the Issuer and any cash received by the Custodian for the account of the Issuer in relation to a Series will be held by the Custodian as banker and not as trustee. Accordingly, such cash will not be held as client money and will represent only an unsecured claim against the Custodian's assets.

Sub-Custodians, Depositaries and Clearing Systems

Credit risk

Under the Custody Agreement the Issuer authorises the Custodian to hold the Charged Assets in the Custodian's account or accounts with any sub-custodian, any securities depositary or at such other account keeper or clearing system as may be appropriate for the type of instruments which comprise the Charged Assets.

Where the Charged Assets are held with a securities depository or clearing system (whether via the Custodian, a sub-custodian or otherwise), the ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Custody Agreement for the Notes (if the Charged Assets are so held) and, in turn, the Custodian (and any applicable sub-custodian) will be dependent (in whole or in part) upon receipt of payments from such, securities depository or clearing system. Consequently, the Noteholders are relying on the ability of the Custodian to perform its obligations under the Custody Agreement for such Notes (and the performance of any obligations of any sub-custodian), and the performance of the respective obligations of, and the creditworthiness of, any securities depository or clearing system holding the Charged Assets deposited by the Custodian or any sub-custodian.

Risks relating to the Paying Agents

Any payments and/or deliveries made to Noteholders in accordance with the Conditions will be made by the Principal Paying Agent and/or the Paying Agents on behalf of the Issuer. Pursuant to the Agency Agreement, the Issuer is to transfer to the Principal Paying Agent such amount as may be due under the Notes, on or before each date on which such payment and/or deliveries in respect of the Notes becomes due.

If the Principal Paying Agent and/or the Paying Agents, while holding funds for payment to Noteholders in respect of the Notes, is declared insolvent, the Noteholders may not receive all (or any part) of any amounts due to them in respect of the Notes from the Principal Paying Agent and/or the Paying Agents. The Issuer will still be liable to Noteholders in respect of such unpaid amounts but the Issuer will have insufficient assets to make such payments (or any part thereof) and Noteholders may not receive all or any part, of any amounts due to them. Consequently, the Noteholders are relying not only on the creditworthiness of the Charged Assets, but also on the creditworthiness of the Principal Paying Agent and the Paying Agents in respect of the performance of its obligations under the Agency Agreement to make or facilitate payments to Noteholders.

Risks relating to the Calculation Agent

The Calculation Agent has broad discretionary authority to make various determinations and adjustments under the Notes, any of which may have an adverse effect on the market value thereof or amounts payable or other benefits to be received thereunder.

The Trustee

The Trustee has broad discretion as to how it performs its role under the Notes and is empowered to exercise discretions without the consent of the Noteholders except in certain circumstances (as set out in the Trust Deed).

Conflicts of Interest

General

Banca March, S.A. and/or any of its affiliates ("**BM**") may act in a number of capacities in connection with any issue of Notes. BM shall have only the duties and responsibilities expressly agreed to by the relevant entity in the relevant capacity and shall not, by virtue of its or any affiliate acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as may be expressly provided with respect to the relevant capacity. BM may enter into business dealings relating to the Notes or the Charged Assets or any asset to which the Notes or Charged Assets are exposed, including the acquisition of the Notes, from which the relevant entity may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor.

BM may from time to time be in possession of certain information (confidential or otherwise) and/or opinions with regard to the issuer or obligor of any Charged Assets which information and/or opinions might, if known by a Noteholder, affect decisions made by it with respect to its investment in the Notes. Notwithstanding this, BM shall not have any duty or obligation to notify the Noteholders or the Issuer or any other transaction parties (including any directors, officers or employees thereof) of such information and/or opinions.

BM may deal in any obligation of the issuer or obligor of any Charged Assets and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, the issuer or obligor of any Charged Assets and may act without regard to whether any such action might have an adverse effect on the issuer or obligor of any Charged Assets, the Issuer or the holders of the Notes of the relevant Series.

BM may at any time be active and significant participants in or act as market-maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by BM may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, instruments relating to currencies, securities and derivatives or securities and derivatives based on, or relating to, the Notes or any Charged Assets. Notwithstanding this, BM shall not have any duty or obligation to take into account the interests of any party in relation to any Notes when effecting transactions in such markets.

Risks related to the Market

Investor suitability

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

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

Listing may be discontinued

The Issuer may discontinue any listing of a Series of Notes or the Notes may be listed on another stock exchange or exchanges (which may or may not be European Economic Area regulated markets and may or may not be in Western Europe). This could have adverse consequences for the Noteholders.

Credit Ratings

Unless specified otherwise in the relevant Final Terms or Alternative Drawdown Document for a Series, the Notes will not be rated. A Noteholder should take such steps as it considers necessary to evaluate the ongoing risks and merits of a continued investment in such Note. For example, certain market indicators, such as rising credit default spreads and yield spreads with respect to the relevant entity, will often be indicative of the decreasing credit quality of the relevant entity.

Systemic Risk

Financial institutions and other significant participants in the financial markets that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk". Financial institutions such as the Arranger, the Dealer(s), the Trustee, the Custodian and the Agents (or any affiliate of any of them) and any obligors of the Charged Assets that are financial institutions or are significant participants in the financial markets are likely routinely to execute a high volume of transactions with various types of counterparties, including brokers and dealers, commercial banks, investment banks, insurers, mutual and hedge funds and institutional clients. To the extent they do so, they are and will continue to be exposed to the risk of loss if counterparties fail or are otherwise unable to meet their obligations. In addition, a default by a financial institution or other significant participant in the financial markets, or concerns about the ability of a

financial institution or other significant participant in the financial markets to meet its obligations, could lead to further significant systemic liquidity problems and other problems that could exacerbate the global financial crisis and as such have a material adverse impact on other entities.

OVERVIEW OF PROGRAMME AND NOTES

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of, this document and, in relation to the Conditions of any particular Series or Tranche of Notes, the relevant Issue Terms in which any of the Conditions may be varied. Words or expressions defined or used in "Terms and Conditions of the Notes" and in the relevant Issue Terms shall have the same meaning as in this overview.

This general overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (the "Prospectus Regulation").

Company:	March International Issuances S.A.
Issuer:	The Company acting on behalf of one its Compartments
Compartments:	A separate compartment will be created by the board of the Company in respect of each Series of Notes (each a " Compartment "). A Compartment is a separate part of the Issuer's assets and liabilities. The assets allocated to a Compartment are in principle exclusively available to satisfy the rights of the holders of the relevant Series of Notes and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Compartment, as contemplated by the Articles.
Arranger:	Banca March, S.A.
Dealer:	Banca March, S.A. and such other party or parties as may be appointed as Dealer from time to time. Pursuant to the terms of the Dealer Agreement, the Issuer may terminate the appointment of any Dealer or appoint further Dealers for a particular Series or Tranche of Notes or as Dealers under this Programme, in each case subject to the prior approval of the Arranger.
Trustee:	GLAS Trustees Limited (the " Trustee ") or such other trustee as may be appointed in relation to a particular Series of Notes.
Custodian:	Citibank N.A., London Branch or such other custodian as may be appointed in relation to a particular Series of Notes.
Programme Agent:	Citibank N.A., London Branch or such other programme agent as may be appointed in relation to a particular series of Notes.
Registrar:	Citigroup Global Markets Deutschland AG or such other registrar as may be appointed in relation to a particular Series of Notes.
Calculation Agent:	Banca March, S.A. or such other calculation agent as may be appointed in relation to a particular Series of Notes.
Principal Paying Agent:	Citibank N.A., London Branch or such other principal paying agent as may be appointed in relation to a particular Series of Notes.
Transfer Agent:	Citigroup Global Markets Deutschland AG or such other transfer agent as may be appointed in relation to a particular Series of Notes.
Programme Size:	Up to EUR 500,000,000 (or its equivalent in other currencies calculated as set out herein) outstanding at any one time in relation to the Issuer. Under the Dealer Agreement, the principal amount of Notes outstanding under this Base Prospectus may be increased, subject to the satisfaction of certain conditions set out therein.
Description:	Secured Note Programme.

Limited Recourse and Non-Petition:

In relation to each Series of Notes, the assets identified as the Charged Assets in the relevant Issue Terms and such other assets and/or rights of the Issuer which are attributable to that Series as specified in the relevant Security Documents or, as the case may be, the Supplemental Trust Deed (the "**Compartment Assets**") will be available to meet the obligations of the Issuer in respect of that Series and all other obligations of the Issuer (all as specified in the Security Documents or, as the case may be, the Supplemental Trust Deed and/or identified in the Issue Terms) attributable to that Series.

If the net proceeds of the realisation of the Compartment Assets are not sufficient to make all payments due in respect of a Series of Notes and due to each other creditor relating to such Notes, no other assets of the Company will be available to meet such shortfall and the claims of the Noteholders and any other creditors relating to such Notes in respect of any such shortfall shall be extinguished.

In addition, no party will be able to petition for the winding-up of the Company as a consequence of any such shortfall for so long as any Notes issued by the Issuer are outstanding or for two years plus one day after the latest date on which any Note issued by the Issuer is due to mature.

Security:

The Issuer will create security interests over the Compartment Assets with respect to each Series of Notes pursuant to the Principal Trust Deed (the "**Security**") in favour of the Trustee. The Security in respect of each Series of Notes will be created by the Supplemental Trust Deed or Supplementary Security Document (if any).

In particular, the Supplemental Trust Deed will specify a "Priority Secured Creditor" who enjoys a preferential ranking in the application of the proceeds of the Security with respect to a particular Series.

If the Issue Terms provide that the Issuer may purchase Notes, or redeem Notes or exercise an option in relation thereto, the Security or a proportionate part thereof in relation to such Notes may be released. The terms of such release will be set out in the Supplemental Trust Deed, Supplementary Security Document (if any) and/or Issue Terms.

Realisation of Security:

The Security in relation to any Series of Notes issued pursuant to the Principal Trust Deed will, save as otherwise provided in the Principal Trust Deed, become enforceable upon the Trustee giving an Enforcement Notice (as defined in Condition 11.1 (*Occurrence of Events of Default*)) to the Issuer subsequent to the occurrence of an Event of Default or as otherwise provided in the relevant Supplemental Trust Deed and/or the terms of such Series.

The Trustee shall not be required to take any action in connection with the enforcement of Security in relation to a Series of Notes unless it has first been secured and/or indemnified and/or prefunded to its satisfaction.

Where a Priority Secured Creditor in relation to any Series is or includes the Noteholders, the Noteholders may (where specified) request the Trustee by means of a request in writing of the holders of at least one fifth in Principal Amount of the Notes of such Series outstanding or by means of an Extraordinary Resolution of such Noteholders and where the Priority Secured Creditor is or includes a Secured Creditor other than the Noteholders, such other Secured Creditor may make requests to the Trustee in writing.

Having received such a request from the Priority Secured Creditor, the Trustee shall not be obliged to consider the interests of any other Secured Creditor for such Series.

Method of Issue:

Notes will be issued on either a syndicated or a non-syndicated continuous

basis in series.

Selling and Transfer Restrictions: There are restrictions on the offer and sale of Notes and the distribution of offering materials in various jurisdictions; for further information please see the sections entitled "*Subscription and Sale*" and "*Transfer Restrictions*" of this Base Prospectus.

The Issuer is a Category 2 issuer for the purposes of Regulation S.

For the purpose of this "*Overview of Programme and Notes*" section of the Base Prospectus, "Category 2" and "Regulation S" shall have the meaning specified in the U.S. Securities Act of 1933.

Tranches of Notes: The specific terms of each Tranche will be set out in the Issue Terms.

Fungible Tranches: A Series of Notes may comprise a number of tranches which will be issued on identical terms save for the first payment of interest. Notes of different tranches of the same Series will be fungible except as provided in the Issue Terms. If a further tranche is issued in respect of a Series under which a tranche or tranches of Notes have already been issued the pool of assets and rights relating to such further tranche will be fungible with or otherwise equivalent to the Compartment Assets for the original tranche(s).

Currencies: Any currency or currencies (including, without limitation, EUR, GBP, CHF, USD or JPY) as may be agreed between the Issuer and the relevant Dealer, subject to compliance with all applicable legal and regulatory requirements.

Maturities: Any maturity of not less than 90 days or, in the case of Notes denominated in GBP, not less than 364 days. No maximum maturity is contemplated and Notes may be issued with no specified maturity dates **provided, however, that** Notes will only be issued in compliance with all applicable legal and/or regulatory requirements.

Issue Price: Notes may be issued at par or at a discount to, or premium over, par.

Form of Notes: Notes may be issued as Bearer Notes or Registered Notes. Registered Notes will not be exchangeable for Bearer Notes, but Bearer Notes will be exchangeable for Notes in registered form in certain circumstances.

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Issue Terms.

Each Global Note will be deposited on or around the relevant Issue Date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

If specified in the Issue Terms, a Temporary Global Note will either be exchangeable for: (i) a Permanent Global Note; (ii) or Definitive Notes.

If the TEFRA D Rules are specified in the Issue Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note.

If specified in the Issue Terms, a Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms.

Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons and will, if principal thereof is repayable by instalments, have Receipts attached.

Registered Notes

Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the Issue Terms.

Each Tranche of Notes represented by a Global Registered Note will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the Issue Date with the common depository.

If specified in the Issue Terms, a Global Registered Note may be exchangeable for Individual Registered Notes in accordance with its terms.

Fixed Rate Notes:

Fixed Rate Notes will bear interest at a fixed rate and will be payable for each Series or Tranche on such date(s) and at such rate(s) as agreed between the Issuer and the relevant Dealer(s) (as specified in the Issue Terms).

Floating Rate Notes:

Floating Rate Notes will bear interest at a rate set separately for each Series or Tranche as may be specified in the Issue Terms either on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service or on the basis of quotations from reference banks or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) and as adjusted for any applicable Margin (as defined in Condition 2 (*Definitions*)).

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

Interest Periods and Interest Rates:

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series or Tranche. All such information will be specified in the Issue Terms.

Zero Coupon Notes:

Zero Coupon Notes may be offered and sold at their Principal Amount or at a discount to it and will not bear interest (other than in relation to interest due after the due date for redemption).

Pass-Through Notes:

The amount of interest payable by the Issuer in respect of a Series of Pass-Through Notes shall be equal to the amounts in respect of interest that the Issuer has received in respect of the Charged Assets for such Series of Notes (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments).

If Pass-Through Notes are specified as applicable in the relevant Issue Terms, the Issuer shall pay to the Noteholders on a pro rata basis an amount equal to any amounts (other than in respect of interest or principal) it receives in respect of the Charged Assets for such Series of Notes (*less* any amount due and payable to any person ranking senior to the Noteholders in the

Priority of Payments) as an additional interest amount in respect of the Notes.

The Issuer shall have no obligation to pay amounts due to Noteholders in respect of Pass-Through Notes unless it is in receipt of such corresponding amounts from the Charged Assets.

Optional Redemption: The Issue Terms in respect of each Series of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders (either in whole or in part of the Notes held) and, if so, the terms applicable to such redemption.

Redemption: Unless otherwise specified in the Issue Terms, each Series of Notes will be redeemed prior to maturity in full in certain circumstances. Such circumstances may, but will not necessarily, include:

- (a) where there has been a payment default (following the expiry of any applicable Grace Period) in respect of the Charged Assets in relation to such Series;
- (b) where the Charged Assets are redeemed in whole (or in part, if Partial Prepayment of Charged Assets is specified as applicable in the Issue Terms, and such partial redemption is other than by reason of payment default or a scheduled amortisation of such Charged Assets) or restructuring of the Charged Assets; or
- (c) where the Conditions of the Charged Assets in relation to a Series are amended such that the issuer thereof shall no longer be obliged to pay the same amounts on the same days as originally contemplated in the Conditions of such Charged Assets as of the date of issue of the Notes.

Unless otherwise specified in the Issue Terms, each Series of Notes will be redeemed prior to maturity in part in certain circumstances. Such circumstances may, but will not necessarily, include:

- (a) where there is a scheduled amortisation in respect of the relevant Charged Asset; or
- (b) where the Issuer receives an amount of principal in respect of relevant Charged Assets (other than a scheduled amortisation amount).

The redemption provisions are more fully set out in Condition 8 (*Redemption and Purchase*) in the section titled "*Terms and Conditions of the Notes*" below of this Base Prospectus.

Denominations of Notes:

The Notes of any Series shall be in such denominations as may be agreed between the Issuer and the Dealer(s) and as specified in the Issue Terms or such other minimum denomination as may be allowed or required from time to time by the relevant central bank (or equivalent body (however designated)) or any laws or regulations applicable to the currency in which the Notes of that Series are denominated.

No Notes may be issued which have any minimum denomination save that any Notes that are listed or admitted to trading on a Stock Exchange shall not have a minimum denomination of less than EUR 1,000 (or its nearest equivalent in another currency). Subject thereto, Notes will be issued in such denominations as may be specified in the Issue Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Taxation: Payments of principal and interest by the Issuer in respect of any Series of

Notes will be made subject to withholding tax (if any) applicable to the Notes of that Series without the Issuer being obliged to pay additional amounts as a consequence. In the event that the Issuer becomes subject to withholding tax, the Issuer shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, nor the Principal Paying Agent, nor the Trustee will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction.

If so provided in the relevant Issue Terms, the Issuer may, upon payments of principal and interest by the Issuer in respect of any Series of Notes being made subject to withholding or deduction, redeem all but not some only of the Notes of the relevant Series, as more fully described under Condition 8.2.3 (*Redemption for taxation and other reasons*) of this Base Prospectus.

- Illegality:** If so provided in the relevant Issue Terms, the Issuer may redeem all but not some only of the Notes of the relevant Series following the occurrence of an event that may render the Issuer's obligations under or in connection with the Notes or the Charged Assets unlawful.
- Status:** Each Series of Notes will be (i) secured, limited recourse obligations of the Issuer ranking *pari passu* without any preference amongst themselves; and (ii) subject to the Securitisation Act.
- The status of the Notes of any Series is more fully set out in Condition 4 (*Status of the Notes and Priority Secured Creditor*) in the section titled "*Terms and Conditions of the Notes*" of this Base Prospectus.
- Order of Priorities:** Claims of Holders in respect of any Series shall rank in accordance with the priorities set out in the Supplemental Trust Deed and/or the Issue Terms.
- Restrictions:** So long as any of the Notes remain outstanding, the Issuer will be subject to certain restrictions on engaging in business and on carrying out certain acts.
- The restrictions on the Issuer are more fully set out in Condition 6 (*Restrictions*) in the section titled "*Terms and Conditions of the Notes*" of this Base Prospectus.
- Compartment Assets:** The Compartment Assets with respect to any Series of Notes will comprise either: (i) Banca March Charged Assets if issued using Final Terms; or (ii) bonds or notes of any form, denomination, type and issuer, the benefit of loans or other contractual rights (including, without limitation, sub-participations and derivatives of any type) or any other assets (including, without limitation equity) if issued using an Alternative Drawdown Document.
- Collection of Payments:** Payments of interest and principal (and any other moneys received) in respect of the Compartment Assets will, unless otherwise specified in the Issue Terms, be credited to the account of the custodian, specified in the Issue Terms. Unless otherwise specified in the Issue Terms, in the case where no Related Agreement has been entered into by the Issuer in respect of payments it is due to make on a Series of Notes, all amounts received in respect of the Compartment Assets shall be paid to the Principal Paying Agent or, as the case may be, the Registrar to be applied in respect of the relevant Series of Notes. Unless otherwise specified in the Issue Terms, where there is a Related Agreement, all such amounts shall be applied in payment to the Counterparty in satisfaction of the obligations of the Issuer under such Related Agreement or otherwise shall be transferred to such account as the Issuer may direct in writing.

- Related Agreement:** In connection with the issue of the Notes or in respect of any Series, the Issuer may enter into swap transactions or other hedging agreements or any letters of credit, guarantees or other credit support or credit enhancement documents or other financial arrangements.
- Listing:** Application will be made to the Central Bank of Ireland for approval of this Base Prospectus and to the Irish Stock Exchange for the Notes issued under the Programme within 12 months of the date of this Base Prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Main Securities Market**").
- Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the Dealer in relation to a specific Series of Notes.
- Notes which are neither listed nor admitted to trading on any market may also be issued.
- Final Terms:** Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued by way of Final Terms under this Base Prospectus where the Charged Assets are Banca March Charged Assets.
- Alternative Drawdown Document:** Where the Charged Assets in respect of a Series of Notes are not Banca March Charged Assets, the Charged Assets will be specified in the applicable Pricing Supplement (for unlisted Notes) or Series Prospectus (for listed or unlisted Notes), as the case may be.
- Ratings:** The Programme is not rated.
- Governing Law:** The Notes, the Principal Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Custody Agreement and the Dealer Agreement are or will be governed by and construed in accordance with English law.

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Issue Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and/or Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system.

In the case of each Tranche of Bearer Notes, the relevant Issue Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Issue Terms specify the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Issue Terms specify the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specify that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Bearer Notes in definitive form ("**Definitive Notes**") not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Issue Terms specify the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specify that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Issue Terms), in an aggregate principal

amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Issue Terms specify the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Issue Terms; or
- (ii) at any time, if so specified in the relevant Issue Terms; or
- (iii) if the relevant Issue Terms specify "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
 - (b) any of the circumstances described in Condition 11 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Issue Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Issue Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions relating to the Notes while in Global Form*" below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

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

Registered Notes

Each Tranche of Registered Notes will be in the form of either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Issue Terms.

Global Note Certificate exchangeable for Individual Note Certificates

If the relevant Issue Terms specify the form of Notes as being "Global Note Certificate exchangeable for Individual Note Certificates", then the Notes will initially be represented by one or more Global Note Certificates each of which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Issue Terms; or

- (ii) at any time, if so specified in the relevant Issue Terms; or
- (iii) if the relevant Issue Terms specify "in the limited circumstances described in the Global Note Certificate", then if any of the circumstances described in Condition 11 (*Events of Default*) occurs.

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, each person having an interest in a Global Note Certificate must provide the Registrar (through the relevant clearing system) with such information as the Issuer and the Registrar may require to complete and deliver Individual Note Certificates (including the name and address of each person in which the Notes represented by the Individual Note Certificates are to be registered, and the principal amount of each such person's holding).

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Note Certificate, to the Registrar of such information as is required to complete and deliver such Individual Note Certificates against the surrender of the Global Note Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Trust Deed and the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Issue Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Note Certificate will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions relating to the Notes while in Global Form*" below.

Summary of Provisions relating to the Notes while in Global Form

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary.

In relation to any Tranche of Notes represented by one or more Global Note Certificates, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name the relevant Global Note Certificate is for the time being registered in the Register.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Note Certificate (each an "**Accountholder**") must look solely to Euroclear, Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Note Certificate and in relation to all other rights arising under such Global Note or Global Note Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note or Global Note Certificate will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Note Certificate, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Note Certificate.

Transfers of Interests in Global Notes and Global Note Certificates

Transfers of interests in Global Notes and Global Note Certificates within Euroclear and Clearstream, Luxembourg or any other relevant clearing system will be in accordance with their respective rules and operating procedures. None of the Issuer, the Trustee, the Registrar, the Dealer or the Agents will have any responsibility or liability for any aspect of the records of Euroclear and Clearstream, Luxembourg or any other relevant clearing system or any of their respective participants relating to payments made on account of beneficial ownership interests in a Global Note or Global Note Certificate or for maintaining, supervising or reviewing any of the records of Euroclear and Clearstream, Luxembourg or any other relevant clearing system or the records of their respective participants relating to such beneficial ownership interests.

Conditions applicable to Global Notes

Each Global Note and Global Note Certificate will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Note Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Note Certificate which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Note Certificate to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that the payment is noted in a schedule thereto.

Payment Business Day: in the case of a Global Note or a Global Note Certificate, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Note Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Note Certificate is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 8.5 (*Redemption at the Noteholder's Option and Exercise of the Noteholders' Option*) the bearer of a Permanent Global Note or the holder of a Global Note Certificate must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 8.4 (*Redemption at Issuer's Option and Exercise of Issuer's Option*) in relation to some only of the Notes, the Permanent Global Note or Global Note Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 16 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Note Certificate and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Note Certificate is deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to

have been given to the Noteholders in accordance with Condition 16 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (other than in the case of Notes issued using Final Terms are subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Issue Terms, and, save for the italicised text) will be endorsed on the Notes of each Series in definitive form (if any) issued in exchange for the Global Note(s) representing each Series of Notes in bearer form or on the Registered Note Certificates representing each Series of Notes in registered form. These terms and conditions will also apply to the Global Notes save as modified by the terms of the Global Notes. Text in italics in these Conditions (save for sub-headings) refers to the Global Notes alone and will not be endorsed on the Notes of each Series in definitive form. Further information with respect to the Notes of each Series will be given in the relevant Issue Terms which will provide for those aspects of these terms and conditions which are applicable to the Notes. References in the terms and conditions to "Notes" are to the Notes of one Series only, not to all Notes which may be issued under the Programme. The absence of any defined term indicates that such term is not applicable to the Notes and references to a matter being "specified" means as the same may be specified in the relevant Issue Term.

The Notes (as defined in Condition 1.1.1) are constituted and secured by a principal trust deed dated as of 16 June 2017 (as amended or supplemented from time to time, the "**Principal Trust Deed**"), between March International Issuances S.A. (the "**Issuer**") and GLAS Trustees Limited (the "**Trustee**" which expression shall include all persons for the time being the trustee or trustees under the Trust Deed referred to below and shall mean, in relation to any Series of Notes, the person identified in the relevant Supplemental Trust Deed (as defined below) as the Trustee for that Series) as supplemented by a supplemental trust deed (the "**Supplemental Trust Deed**") dated on or about the relevant Issue Date (as defined in Condition 2 (*Definitions*) below) between the Issuer, the Trustee and the other parties named therein (the Principal Trust Deed and any Supplemental Trust Deed being referred to herein as the "**Trust Deed**").

The Notes will have the benefit (to the extent applicable) of an agency agreement dated as of 16 June 2017 (as amended, varied or supplemented from time to time, the "**Agency Agreement**") between, *inter alios*, the Issuer, the Trustee, Citibank, N.A., London Branch in its capacity as programme agent (the "**Programme Agent**" which expression shall include any successor to Citibank, N.A., London Branch in its capacity as such) and as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor to Citibank, N.A., London Branch in its capacity as such), Banca March, S.A. in its capacity as calculation agent (the "**Calculation Agent**", which expression shall include any successor to Banca March, S.A. in its capacity as such) and Citigroup Global Markets Deutschland AG as registrar (the "**Registrar**", which expression shall include any successor to Citigroup Global Markets Deutschland AG in its capacity as such) and as transfer agent (the "**Transfer Agent**" which expression shall include any successor to Citigroup Global Markets Deutschland AG in its capacity as such). As used herein, "**Principal Paying Agent**", "**Paying Agent**", "**Programme Agent**", "**Calculation Agent**", "**Registrar**" and "**Transfer Agent**" shall mean, in relation to any Series of Notes, if any other person is specified in the relevant Issue Terms as the Principal Paying Agent, the Paying Agent, the Programme Agent, the Calculation Agent, the Registrar and/or the Transfer Agent, respectively, for such Series, such other person.

The Issuer has also entered into a custody agreement dated as of 16 June 2017 (as amended or supplemented from time to time, the "**Custody Agreement**") with the Trustee and Citibank, N.A., London Branch as custodian (the "**Custodian**", which expression includes any successor to Citibank, N.A., London Branch in its capacity as such and shall mean in relation to any Series of Notes, any other custodian appointed in connection with any Series of Notes). In respect of any Series the Custodian may appoint any financial institution to act as sub-custodian in relation to that Series, as more fully set out in the Custody Agreement.

References in the terms and conditions to "Issuer" are to the Issuer, acting on behalf of all the Compartments or a specific Compartment as applicable, of the relevant Series of Notes.

Certain statements in these terms and conditions (the "**Conditions**") may be summaries of the detailed provisions appearing on the face of the Notes (which expression shall include the body thereof) and in the Principal Trust Deed. Copies of the Principal Trust Deed, the Dealer Agreement, the Custody Agreement, the Agency Agreement and the Master Schedule of Definitions (as defined below) are available for inspection at the principal office of the Issuer (presently at 6, rue Eugène Ruppert, L - 2453, Grand

Duchy of Luxembourg) and at the Specified Office of the Principal Paying Agent. The Holders (as defined in Condition 1 (*Form, Denomination and Title*) below, which expression includes the holders of instalment receipts (the "**Receipts**") appertaining to the payment of principal by instalments (if any) attached to such Notes (the "**Receiptholders**") and the holders of the coupons (the "**Coupons**") (if any) appertaining to interest-bearing Notes in bearer form (the "**Couponholders**", which expression includes the holder of talons (the "**Talons**") (if any) for further coupons attached to such Notes (the "**Talontholders**")) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and to have notice of those provisions of the Agency Agreement and the Custody Agreement applicable to them.

The Issue Terms will be endorsed upon or attached to the Notes. Other than in respect of a Series of Notes issued using Final Terms, these Conditions may be supplemented and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purpose of such Notes.

Words and expressions defined in the Trust Deed, the Agency Agreement, the Custody Agreement or the Master Schedule of Definitions, Interpretation and Construction Clauses made on 16 June 2017 (as amended, varied or supplemented from time to time and signed for the purpose of identification by, *inter alios*, the Issuer and the Trustee (the "**Master Schedule of Definitions**") or used in the relevant Issue Terms shall have the same meaning where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Agency Agreement, the Custody Agreement, the Trust Deed, the relevant Issue Terms and the Master Schedule of Definitions, the definition of the relevant term shall have the meaning specified in the relevant document ranking the highest in the following order of priority:

- (a) *firstly*, the Issue Terms relevant to the Series in question;
- (b) *secondly*, the Supplemental Trust Deed relevant to the Series in question;
- (c) *thirdly*, the Conditions;
- (d) *fourthly*, the Principal Trust Deed;
- (e) *fifthly*, the Agency Agreement;
- (f) *sixthly*, the Custody Agreement; and
- (g) *seventhly*, the Master Schedule of Definitions.

1. **FORM, DENOMINATION AND TITLE**

1.1 **Form and Denomination**

1.1.1 The Notes may be issued in bearer form ("**Bearer Notes**"), serially numbered in an Authorised Denomination (as defined below) or in registered form ("**Registered Notes**") in an Authorised Denomination or an integral multiple thereof. "**Authorised Denomination**" means the currency and denomination or denominations of such currency or currencies specified in the Issue Terms for such Series of Notes. References herein to "**Notes**" shall be to Bearer Notes and/or Registered Notes, as specified in the Issue Terms for such Series of Notes. Bearer Notes of one Authorised Denomination may not be exchanged for Bearer Notes of another Authorised Denomination.

1.1.2 Interest-bearing Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes 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. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and, if applicable, one further Talon, will be issued against presentation of the relevant Talon at the Specified Office of any Paying Agent. Any Bearer Note the Principal Amount of which is redeemable in instalments may be issued with one or more Receipts attached thereto. "**Maturity Date**" means the date specified in the Issue Terms for such Series of

Notes as the final date on which the Principal Amount of such Note is due and payable. A Registered Note Certificate in respect of an individual's entire holding of Registered Notes will be issued substantially in one of the forms set out in Schedules 6 or 7 to the Principal Trust Deed.

1.2 **Title**

Title to Bearer Notes, Coupons, Receipts and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register which the Issuer shall procure to be kept by the Registrar (the "**Register**"). In these Conditions, subject as provided below, "**Holder**" means the bearer of any Bearer Note, Coupon, Receipt or Talon (as the case may be) and the person in whose name a Registered Note is registered, as the case may be. The Holder of any Note, Coupon, Receipt or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership on the face of such Bearer Note or, in the case of a Registered Note, on the relevant Registered Note Certificate thereof) and no person shall be liable for so treating such Holder. In these Conditions "**Noteholder**" means the bearer of any Bearer Note or, as the case may be, the person in whose name a Registered Note is registered.

1.3 **Fungible Tranches of Notes comprising a Series**

A Series of Notes may comprise a number of tranches (each a "**Tranche**"), which will be issued on identical terms save for the first interest period and interest payment. Notes of different Tranches of the same Series will be fungible, except as set forth in the Issue Terms for such Series of Notes. If a further Tranche (a "**Further Tranche**") is issued in respect of a Series under which a Tranche or Tranches of Notes have already been issued (an "**Original Tranche(s)**"), the pool of assets and rights relating to such Further Tranche will be fungible with or otherwise equivalent to the Compartment Assets (as defined in Condition 5.3 (*Charged Rights and Compartment Assets*) below) for the Original Tranche(s) and the Related Agreement (if any) for the Original Tranche(s) will be amended to apply to both the Original Tranche(s) and such Further Tranche.

1.4 **Securitisation Act**

The Issuer was incorporated on 23 May 2017 as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg and as a securitisation company (*société de titrisation*) within the meaning of, and governed by, the Luxembourg law of 22 March 2004 on securitisation, as amended (the "**Securitisation Act**"), having its registered office at 6, rue Eugène Ruppert, L-2453, the Grand Duchy of Luxembourg and registered with the Register of Trade and Companies of Luxembourg (*Registre de Commerce et des Sociétés de Luxembourg*) under the number B215157.

Pursuant to the Securitisation Act, the articles of incorporation of the Issuer authorise its board of directors to create one or more independent parts of the Issuer's estate (*patrimoine*) (each individual part referred to as a "**Compartment**") distinguishable from the remaining part of the Issuer's estate by the nature of assets or liabilities relating to such Compartment.

In connection with each Series of Notes, the Issuer will create a specific Compartment to which all assets, rights, claims and agreements relating to such Series of Notes will be allocated. The Compartment Assets in respect of a Series of Notes are exclusively and only available to satisfy the rights of the creditors of a specific Series of Notes whose claims have arisen or will arise in connection with the creation, operation or liquidation of such Compartment. For the purpose of the relationship of the holders of securities issued by the Issuer between each other, each Compartment shall be treated as a separate entity.

2. **DEFINITIONS**

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

"**Additional Business Centre**" means the city or cities specified as such in the relevant Issue Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Issue Terms;

"**Alternative Drawdown Document**" means, where the Notes are not issued by way of Final Terms pursuant to the Prospectus Directive, the Pricing Supplement or Series Prospectus;

"**Banca March Charged Assets**" means the First Banca March Charged Asset, the Second Banca March Charged Asset and/or the Other Banca March Charged Assets;

"**Base Prospectus**" means the base prospectus dated 16 June 2017 prepared in connection with the establishment of the Programme;

"**Business Day**" means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the Relevant Currency and in each (if any) Additional Business Centre; and
- (c) for purposes other than in respect of a payment, a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre or, if no such Additional Business Centres are specified, in London;

"**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) if "**Actual/Actual**" is so specified in the relevant Issue Terms, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (b) if "**Actual/365 (Fixed)**" is so specified in the relevant Issue Terms, means the actual number of days in the Calculation Period divided by 365;
- (c) if "**Actual/360**" is so specified in the relevant Issue Terms, means the actual number of days in the Calculation Period divided by 360;
- (d) if "**30/360**" is so specified in the relevant Issue Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

"**M₂**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

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

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

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

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

where:

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

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

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

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

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

- (f) if "**30E/360 (ISDA)**" is so specified the relevant Issue Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"Default Interest Rate" means the rate of interest (if any) specified as being payable from time to time in respect of the Notes following a failure to pay any amount when due. The Default Interest Rate will either be specified in, or calculated in accordance with the provisions of, the relevant Issue Terms;

"euro" means the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended;

"FATCA" means:

- (a) Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law, regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"Final Terms" means the final terms completed by the Issuer in respect of the Notes;

"First Banca March Charged Asset" means the Charged Assets with the following characteristics:

Issuer of Charged Assets:	Banca March, S.A. (<i>as described under the section of this Base Prospectus headed "Description of Banca March, S.A."</i>)
Issue Date:	26 July 2011
Maturity Date:	26 July 2019
ISIN:	ES0413040025
Bloomberg Ticker:	BANCA
Nominal Amount:	100,000,000
Currency:	EUR
Governing Law:	Spanish
Exchange	AIAF - Mercado de Renta Fija in Spain

"Extraordinary Resolution" means a resolution passed at a meeting of Noteholders duly convened and held in accordance with the provisions of the Trust Deed by a majority of not less than three quarters of the votes cast;

"Grace Period" means the period specified in the applicable Issue Terms or, if no period is specified, none.

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Issue Terms;

"Interest Determination Date" means, with respect to an Interest Rate and an Interest Period, the date specified as such in the relevant Issue Terms or, if none is so specified, the day falling

two Business Days in London prior to the first day of such Interest Period (or if the specified currency is British pound sterling the first day of such Interest Period);

"Interest Payment Date" means, other than in respect of Pass-Through Notes, the date(s) specified as such in the relevant Issue Terms;

"Interest Period" means, unless otherwise specified in the relevant Issue Terms, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"Interest Rate" means the rate of interest payable from time to time in respect of the Note and which is either specified in, or calculated in accordance with the provisions of, these Conditions and/or the relevant Issue Terms;

"ISDA Definitions" means the 2006 ISDA Definitions and/or the 2003 ISDA Credit Derivatives Definitions, as the context requires, each as published by the International Swaps and Derivatives Association, Inc. (formerly the International Swap Dealers Association, Inc.) and as supplemented and/or amended from time to time;

"Issue Date" means the date of issue of the Notes;

"Issue Terms" means the applicable Final Terms or, where an Alternative Drawdown Document is prepared, the applicable terms and conditions set out in such Alternative Drawdown Document;

"Margin" means the rate per annum (expressed as a percentage) specified in the relevant Issue Terms;

"MiFID" means the Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments;

"Other Banca March Charged Assets" means any debt issued by Banca March, S.A. which is listed or admitted to trading on a regulated market for the purpose of MiFID;

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters service ("**Reuters**") and the Bloomberg service ("**Bloomberg**")) as may be specified in the relevant Issue Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Pass-Through Fee Amount" means the Pass-Through Fee Amount (if any) specified in the relevant Issue Terms;

"Pricing Supplement" means if a Series of Notes do not require the publication of a prospectus in accordance with the Prospectus Directive, a pricing supplement prepared in connection with such Series of Notes;

"Principal Amount" means in relation to a Note or Series, the original face value thereof less any repayment of principal made to the holder(s) thereof in respect of such Note or Series;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency; **provided, however, that:** in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent.

"Priority of Payments" means, in relation to each Series, the priority of payments applicable to such Series as specified in the relevant Supplemental Trust Deed;

"Priority Secured Creditor" means, in relation to a Series and unless otherwise specified in the relevant Issue Terms and the applicable Supplemental Trust Deed, at any applicable time, the Counterparty and/or the Noteholders in respect of such Series (as the case may be) ranking the most closely behind the Trustee in respect of fees, costs, charges, expenses and Liabilities in the Priority of Payments applicable to such Series; **provided, however, that** if no sums are at the applicable time owing to such Counterparty and/or the Noteholders in respect of such Series (as applicable), it shall mean the next highest ranking Counterparty and/or Noteholders as set out in the relevant Priority of Payments;

"Prospectus Directive" means the Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU);

"Redemption Amount" means, unless otherwise specified in the relevant Issue Terms, in relation to a Note or Series, the amount of the original face value thereof less any repayment of principal made to the Holder(s) thereof in respect of such Note or Series.

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

"Relevant Currency" means the currency specified as such or, if none is specified, the currency in which the Notes are denominated;

"Relevant Financial Centre" means, with respect to any Note, to be the financial centre as may be specified as such in the Issue Terms or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Calculation Agent;

"Relevant Rate" means the offered rate for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration (or such other rate as shall be specified in the relevant Issue Terms);

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

"Representative Amount" means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the relevant Issue Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

"Reserved Matter" means any proposal brought before a meeting of Noteholders:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (b) to effect the exchange, conversion or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or

(e) to amend the definition of "Reserved Matter";

"**Second Banca March Charged Asset**" means the Charged Assets with the following characteristics:

Issuer of Charged Assets:	Banca March, S.A. (as described under the section of this Base Prospectus headed "Description of Banca March, S.A.")
Issue Date:	27 June 2014
Maturity Date:	27 June 2022
ISIN:	ES0413040058
Bloomberg Ticker:	BANCA
Nominal Amount:	200,000,000
Currency:	EUR
Governing Law:	Spanish
Exchange	AIAF - Mercado de Renta Fija in Spain

"**Series Prospectus**" means if the Charged Assets in respect of a Series of Notes are not the Banca March Charged Assets or such Series of Notes would have a derivative payout, and such Series of Notes requires a prospectus to be published in accordance with the Prospectus Directive, a series prospectus relating to the Notes, incorporating by reference the whole or any part of the Base Prospectus;

"**Specified Duration**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the period or duration specified in the relevant Issue Terms or, if none is specified, a period of time equal to the relative Interest Period;

"**TARGET Settlement Day**" means any day on which the TARGET2 system is open;

"**TARGET2 system**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and

"**Treaty**" means the Treaty establishing the European Communities, as amended by the Treaty on European Union.

3. **EXCHANGES OF BEARER NOTES FOR REGISTERED NOTES, TRANSFERS OF REGISTERED NOTES AND EXCHANGES OF SERIES OF NOTES**

3.1 **Exchange of Bearer Notes**

Subject to the provisions set forth in Condition 3.5 (*Closed Periods*), Bearer Notes may, if so specified in the relevant Issue Terms, be exchanged at the expense of the transferor Noteholder for an equivalent aggregate Principal Amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of the Bearer Note to be exchanged together with all unmaturing Coupons, Receipts and Talons relating to it (if any) at the Specified Office of the Registrar or any Transfer Agent.

3.2 **Transfer of Registered Notes**

Subject to the provisions set forth in Condition 3.5 (*Closed Periods*), a Registered Note may be transferred upon the surrender of the relevant Registered Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar or any Transfer Agent; **provided, however, that** a Registered Note may not be transferred unless the Principal Amount of Registered Notes proposed to be transferred and the Principal Amount of the balance of Registered Notes proposed to be retained by the relevant transferor are

Authorised Denominations. In the case of a transfer of only a portion of a holding of Registered Notes represented by a Registered Note Certificate, a new Registered Note Certificate in respect of the balance not transferred will be issued to the transferor.

3.3 **Delivery of new Registered Note Certificates**

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

3.4 **Exchange at the Expense of Transferor Noteholder**

Registration of Notes on exchange or transfer will be effected without charge at the expense of the transferor Noteholder by or on behalf of the Issuer or the Registrar and upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

3.5 **Closed Periods**

Neither the transfer of a Registered Note to be registered nor a Bearer Note to be exchanged for a Registered Note may occur during the period of 15 days ending on the due date for any payment of principal, interest or Redemption Amount on that Note except as specified in Condition 3.1 (*Exchange of Bearer Notes*).

4. **STATUS OF THE NOTES AND PRIORITY SECURED CREDITOR**

4.1 **Status of the Notes**

The Notes, Coupons, Talons (if any) and Receipts (if any) are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, which are subject to the provisions of the Securitisation Act and secured in the manner described in Condition 5 (*Related Agreements, Compartment Assets and Security*) and recourse in respect of which is limited in the manner described in Condition 12 (*Limited Recourse and Enforcement*).

4.2 **Priority Secured Creditor**

4.2.1 The Priority Secured Creditor for a Series may be or include the Noteholders and, if so, the Noteholders of such Series will be deemed to be a single Secured Creditor. Where a Priority Secured Creditor is or includes the Noteholders, the Noteholders may make requests to the Trustee by means of a request in writing of the holders of at least one fifth in Principal Amount of the Notes of such Series outstanding (the "**Instructing Noteholder Group**") or by means of an Extraordinary Resolution of such Noteholders. Where the Trustee receives conflicting instructions from different Instructing Noteholder Groups, it shall follow the instructions of the Instructing Noteholder Group representing the greater Principal Amount of Notes of such Series or, if the Instructing Noteholder Groups represent the same Principal Amount of Notes, it shall follow the instructions of the first of such Instructing Noteholder Groups to have instructed it. Where the Priority Secured Creditor is or includes a Secured Creditor other than the Noteholders, such other Secured Creditor (not comprising, in whole or in part, the Noteholders) may make requests to the Trustee in writing.

- 4.2.2 Such Priority Secured Creditor will enjoy preferential ranking in the order of priority of payments on enforcement of the relevant Security or following a Mandatory Redemption, and the Trustee will, where the interests of such Priority Secured Creditor conflict with those of the other Secured Creditors (as defined in Condition 5.5 (*Security*)), prefer the interests of such Priority Secured Creditor over those of other Secured Creditors (and shall not take into account the interests of such other Secured Creditors).
- 4.2.3 Where the Priority Secured Creditor comprises more than one Secured Creditor and one of such Priority Secured Creditors includes the Noteholders, and in circumstances in which, in the Trustee's sole opinion, there is a conflict between the interests of the Noteholders and any other Secured Creditor comprising the Priority Secured Creditor, the Trustee will prefer the interests of the Noteholders over, or will act on the request of the Noteholders in preference to, those interests of, or any request of, the other relevant Secured Creditor and/or Priority Secured Creditors (and shall not take into account the interests of the other relevant Secured Creditors).
- 4.2.4 Where the Noteholders are not a Priority Secured Creditor and the Priority Secured Creditor comprises more than one Secured Creditor, the Trustee will prefer, or will take action at the request of, the relevant Secured Creditor(s) as specified in the relevant Supplemental Trust Deed, in preference to the other Secured Creditor(s) as more fully set out in the Principal Trust Deed and the relevant Supplemental Trust Deed (and shall not take into account the interests of the other Secured Creditors).
- 4.2.5 If, following a request as aforesaid and unless the Trustee has already taken action pursuant to such request which (in its sole discretion it determines) it would not be practical to reverse, the identity of the Priority Secured Creditor changes to another Secured Creditor or to another Instructing Noteholder Group (as applicable), the Trustee shall, in its absolute discretion, and without liability therefor, be entitled to take into account the request of such succeeding Priority Secured Creditor, but shall not be obliged to do so and shall not incur any liability for determining that it is impractical to take account of the change of identity of the Priority Secured Creditor.
- 4.2.6 As further set out in the Principal Trust Deed and unless specifically provided otherwise therein, the Trustee shall not be bound to take any action in respect of any Series unless secured and/or indemnified and/or prefunded to its satisfaction.

5. **RELATED AGREEMENTS, COMPARTMENT ASSETS AND SECURITY**

5.1 **Related Agreements**

In connection with the issue of the Notes or in respect of any Series, the Issuer may enter into swap transactions or other hedging agreements or any letters of credit, guarantees or other credit support or credit enhancement documents or other financial arrangements (each a "**Related Agreement**") with one or more counterparties (each a "**Counterparty**").

5.2 **Charged Assets**

In respect of each Series, the Issuer will hold (either directly or through the Custodian) the Banca March Charged Assets or other such assets as are specified in the Supplemental Trust Deed for such Series. Such assets (the "**Charged Assets**") shall be subject to the Security granted in respect of such Series.

5.3 **Charged Rights and Compartment Assets**

In respect of each Series, the Supplemental Trust Deed shall also specify any and all other assets and/or rights of the Issuer (other than the Charged Assets) which are attributed to such Series, including the rights of the Issuer under any Related Agreement entered into in connection with that Series. Such assets and/or rights (the "**Charged Rights**") shall be subject to the Security granted in respect of such Series. The Charged Assets and the Charged Rights together form the "**Compartment Assets**" in respect of such Series.

5.4 **Exercise of Rights under Charged Assets**

If Noteholder Charged Asset Voting Rights is specified as applicable in the relevant Issue Terms, prior to the occurrence of an Event of Default on any occasion on which the Issuer is requested or entitled to vote in respect of the Charged Assets pursuant to the terms thereof (including, without limitation, in respect of the acceleration, enforcement or modification of the Charged Assets or the granting of any waiver in respect of the Charged Assets), the Issuer shall promptly following receipt of such request or upon becoming aware of such entitlement arising notify the Noteholders thereof in accordance with Condition 16 (*Notices*). Prior to the occurrence of an Event of Default, the Issuer shall if so specified exercise its voting and discretionary rights in respect of the Charged Assets in accordance with an Extraordinary Resolution of Noteholders or if so directed in writing by not less than 20% of Noteholders by aggregate Principal Amount, in each case provided that such direction is received not less than one Business Day prior to the last date on which the Issuer may exercise such vote and/or rights. If on any occasion the requisite number of Noteholders fails to provide a direction within the applicable time period the Issuer shall take no further action.

Where the Issuer receives conflicting instructions from Noteholders in accordance with the previous paragraph of this Condition 5.4 (*Exercise of Rights under Charged Assets*), such conflict shall be resolved in accordance with the provisions of Condition 4.2.1 (as if references therein to the Trustee were references to the Issuer) in respect of conflicting instructions from different Instructing Noteholder Groups and the Issuer shall follow the instructions provided accordingly.

If Noteholder Charged Asset Voting Rights is specified as not applicable in the relevant Issue Terms, prior to the occurrence of an Event of Default the Issuer shall exercise any voting or other discretionary rights that it has in respect of the Charged Assets in accordance with the instructions of the Priority Secured Creditor and shall promptly notify the Priority Secured Creditor of any such right arising. If on any occasion the Issuer receives no such instruction from the Priority Secured Creditor within the applicable time period the Issuer will take no further action.

Following the occurrence of an Event of Default, the Trustee shall have the right to exercise or direct the exercise of any voting and other discretionary rights attached to the Charged Assets in accordance with Condition 15.2 (*Authorisation*).

5.5 **Security**

The obligations of the Issuer to the persons having the benefit of the Security relating to a Series and specified as secured creditors in the applicable Supplemental Trust Deed and/or Supplementary Security Document (as defined in Condition 5.6 (*Security Documents*) below) (the "**Secured Creditors**") are, unless otherwise specified in the relevant Issue Terms, secured pursuant to the Supplemental Trust Deed and/or Supplementary Security Document in respect of such Series by Encumbrances governed by English or Luxembourg law (as applicable) and such further encumbrances as may be required by the Trustee, governed by the law of any other relevant jurisdiction over the Charged Assets and/or Charged Rights as specified in the Supplemental Trust Deed and/or Supplementary Security Document.

5.6 **Security Documents**

The security created by each Supplemental Trust Deed may be supported by such further security documents as may, from time to time, be required by the Trustee and as specified in the relevant Issue Terms (each a "**Supplementary Security Document**" and, together with the relevant Supplemental Trust Deed, the "**Security Documents**") (the "**Security**").

5.7 **Application of Proceeds by Trustee**

All monies received by the Trustee in connection with the Notes will be held by the Trustee on trust to apply the same in accordance with the application of proceeds provisions of the Principal Trust Deed and the applicable Supplemental Trust Deed.

6. **RESTRICTIONS**

6.1 So long as any of the Notes remain outstanding (as defined in the Principal Trust Deed), the Issuer will not, save to the extent permitted by the Transaction Documents or the Trade Documents:

6.1.1 engage in any business (other than acquiring and holding any Charged Assets, issuing Notes, entering into the Transaction Documents and the Trade Documents in respect of each Series of Notes, acquiring and holding other assets similar to the Charged Assets, issuing further Series of Notes, performing its obligations and exercising its rights under the Trade Documents and the Transaction Documents in respect of any Series of Notes and such further matters as may be reasonably incidental thereto);

6.1.2 have any employees or premises;

6.1.3 issue any additional shares;

6.1.4 incur or permit to subsist any indebtedness for borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness other than issuing further Notes (in accordance with the relevant Transaction Documents and the Trade Documents); **provided however, that** such further Notes are:

(a) if secured, secured on the assets of the Issuer other than: (A) the Compartment Assets for any other Series (save in the case of a fungible Tranche of such Notes forming a single Series with the Tranche of Notes already issued, subject to Condition 1.3 (*Fungible Tranches of Notes comprising a Series*)); (B) assets other than those described in (A) above on which any other obligations of the Issuer are secured; and (C) the Issuer's share capital;

(b) issued on terms in substantially the form contained in these Conditions which provide for the extinguishment of all claims in respect of such further Notes and obligations after application of the proceeds of sale or redemption of the Compartment Assets of such further Notes; and

(c) in the case of a further Tranche of Notes forming a single Series with any Tranche of Notes of a secured Series previously issued, secured *pari passu* on the Compartment Assets for such previously issued Tranche and such further assets of the Issuer upon which such further Tranche of Notes and such previously issued Tranche are secured;

6.1.5 sell or otherwise dispose of the Compartment Assets relating to any Series or any interest therein or agree or purport to do so, other than in accordance with the terms of the Trade Documents or the Transaction Documents for such Series;

6.1.6 create or permit to exist upon or affect any of the Compartment Assets relating to any Series, any Encumbrance or any other security interest whatsoever other than as contemplated by any Supplemental Trust Deed, or any Supplementary Security Document executed in relation to such Series;

6.1.7 consolidate or merge with any other person or convey or transfer its properties or assets to any person;

6.1.8 permit the Principal Trust Deed or any Supplemental Trust Deed executed in relation to any Series or any guarantee agreements executed in relation to such Series, or the priority of the Security created hereby, thereby or pursuant to any Supplementary Security Document executed in relation to any Series of Notes to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such Security to be released from such obligations;

6.1.9 release any party to any Related Agreement from any executory obligation thereunder;

6.1.10 have any subsidiaries; or

- 6.1.11 have its 'centre of main interest' (as such term is defined in article 3(1) of the Council Regulation (EC) no. 1346/2000 on insolvency proceedings (the "**Insolvency Regulation**") outside of the Grand Duchy of Luxembourg or establish or open any branch offices or other permanent establishments (as in the Insolvency Regulation) anywhere in the world.

The Trustee shall be entitled to rely absolutely on a certificate signed by two directors of the Issuer in relation to any matter relating to such restrictions and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter in question.

7. **INTEREST AND OTHER CALCULATIONS**

7.1 **Interest Rate and Accrual**

7.1.1 Each Note (other than a Zero Coupon Note) bears interest on its Principal Amount (or as otherwise specified in the relevant Issue Terms) from the Interest Commencement Date at the Interest Rate, such interest being payable in arrear (unless otherwise specified in the relevant Issue Terms) on each Interest Payment Date.

7.1.2 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 (as well after as before judgment) at the Interest Rate (or, if applicable, the Default Interest Rate) in the manner provided in this Condition 7 to the Relevant Date (as defined in Condition 8.3 (*Early Redemption of Zero Coupon Notes*)).

7.2 **Business Day Convention**

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

7.2.1 the Following Business Day Convention, such date shall be postponed to the next day which is a Business Day;

7.2.2 the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

7.2.3 the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

7.3 **Interest Rate on Floating Rate Notes**

7.3.1 This Condition 7.3 is applicable only if the relevant Issue Terms specifies the Notes as Floating Rate Notes.

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

(a) if the Page displays a rate which is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Relevant Rate which appears on the Page as of the Relevant Time on the relevant Interest Determination Date;

(b) in any other case, the Calculation Agent will determine the arithmetic mean of the Relevant Rates which appear on the Page as of the Relevant Time on the relevant Interest Determination Date;

- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Page is unavailable, the Calculation Agent will:
 - (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Relevant Rate at approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Relevant Rate, as determined by the Calculation Agent) quoted by major banks in the Relevant Financial Centre of the Relevant Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Interest Period for loans in the Relevant Currency to leading European banks for a period equal to the relevant Interest Period and in the Representative Amount,

and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

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

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Issue Terms;
- (b) the Designated Maturity (as defined in the ISDA Definitions) is the Specified Duration; and
- (c) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London interbank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Issue Terms.

7.4 **Interest linked to Pass-Through Notes**

If Pass-Through Notes are specified as applicable in the relevant Issue Terms, on the date (each such date, an "**Interest Payment Date**") falling the number of Business Days specified in the applicable Issue Terms (or, if the number of Business Days is not specified in the applicable Issue Terms, three (3) Business Days) after each date on which interest is due and payable to the Issuer in respect of the Charged Assets in accordance with the terms and conditions thereof (each such date, a "**Scheduled Charged Asset Interest Payment Date**"), an amount shall be payable in respect of each Note (an "**Interest Amount**") equal to such Note's *pro rata* share of the aggregate interest amount received by the Issuer in respect of the Charged Assets held by or on behalf of the Issuer on the relevant Scheduled Charged Asset Interest Payment Date *less*:

- (i) if Pass-Through Fee Amount is specified as applicable in the relevant Issue Terms, such Pass-Through Fee Amount; and *less*
- (ii) any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments.

For the avoidance of doubt, if any interest amount received by the Issuer under the Charged Assets on a Scheduled Charged Asset Interest Payment Date is less than the amount due, the Interest Amount payable on the Notes will be calculated by reference to the interest amount actually received by the Issuer. If the Issuer receives a payment of interest (including any compounded interest and/or default interest in respect thereof) under the Charged Assets subsequent to the relevant Scheduled Charged Asset Interest Payment Date, the Issuer shall promptly notify Noteholders thereof in accordance with Condition 16 (*Notices*) and shall pay to the Noteholders in respect of each Note an amount equal to such Note's *pro rata* share of such amount (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments) as an Interest Amount on the Business Day falling five (5) Business Days following the date on which the Issuer receives the relevant payment (or, if earlier, on the date on which the Notes are finally redeemed pursuant to Condition 8 (*Redemption and Purchase*)).

The Scheduled Charged Asset Interest Payment Dates as at the Issue Date will be set out in the Issue Terms. If the interest under the Charged Assets is payable at a fixed rate, the fixed rate will be specified in the Issue Terms. If the interest payable under the Charged Assets is payable at a variable rate, the Issuer (or the Calculation Agent on its behalf) shall notify the Principal Paying Agent or (in the case of a Series of Registered Notes) the Registrar of the interest amount due on the Charged Assets held by the Issuer for a Scheduled Charged Asset Interest Payment Date not later than the relevant Scheduled Charged Asset Interest Payment Date.

7.5 **Maximum or Minimum Interest Rates**

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

7.6 **Interest Rate on Zero Coupon Notes**

The Interest Rate for any overdue principal in respect of a Zero Coupon Note shall be a rate per annum (expressed as a percentage) equal to the figure expressed to be the amortisation yield (the "**Amortisation Yield**") shown on the face of the Note or in the relevant Issue Terms (as well after as before judgment) up to the Relevant Date.

7.7 **Calculations**

The amount of interest payable in respect of any Note for each Interest Period shall be calculated by multiplying the product of the Interest Rate and the Principal Amount outstanding of such Note during that Interest Period by the Day Count Fraction, unless an Interest Amount is specified in respect of such period or an alternative method for determining the amount of interest payable in respect of any Note is specified in the relevant Issue Terms, in which case the amount of interest payable in respect of such Note for such Interest Period will equal such Interest Amount.

7.8 **Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts**

7.8.1 If Pass-Through Notes are not specified as applicable in the relevant Issue Terms, 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 quote or make any determination or calculation, the Calculation Agent will determine the Interest Rate and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Authorised Denomination of Notes for the relevant Interest Period, calculate the Redemption Amount or Instalment Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for

each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the Principal Paying Agent, or (in the case of a Series of Registered Notes) the Registrar, the Trustee, the Issuer, each of the Paying Agents, the Noteholders and, if the Notes are listed on a Stock Exchange and such Stock Exchange so requires, such Stock Exchange as soon as possible after their determination but in any event no later than (i) (in case of notification to such Stock Exchange) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

7.8.2 The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

7.8.3 If the Notes become due and payable under Condition 11 (*Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Trustee.

7.8.4 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 or, as the case may be, the Trustee (or by a duly appointed agent on its behalf) pursuant to Condition 7.10 (*Determination or Calculation by Trustee*), shall (in the absence of manifest error) be final and binding upon all parties.

7.9 **Calculation Agent and Reference Banks**

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

7.10 **Determination or Calculation by Trustee**

If the Calculation Agent does not at any time for any reason determine any Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or any other amount to be determined or calculated by it, the Trustee (or any agent approved by it pursuant to the Principal Trust Deed) may (without liability for so doing) determine such Interest Rate, Interest Amount, Redemption Amount, Instalment Amount or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it may, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

8. **REDEMPTION AND PURCHASE**

8.1 **Redemption at Maturity**

Unless previously redeemed, or purchased and cancelled as provided below, each Note shall be redeemed at its Redemption Amount on the Maturity Date specified in the relevant Issue Terms.

8.2 **Mandatory Redemption**

8.2.1 ***Payment Default of Charged Assets or termination of Related Agreement***

In relation to a Series:

- (a) where there has been a payment default in respect of the Charged Assets in relation to such Series which is not remedied in full prior to the expiry of any Grace Period; or
- (b) if any Related Agreement in relation to such Series is terminated and is not replaced within 21 days from such termination to the satisfaction, and with the prior written approval of, the Trustee (acting on the instructions of the Priority Secured Creditor),

then promptly upon becoming aware thereof, the Issuer shall notify the Noteholders in accordance with Condition 16 (*Notices*) and the Trustee and the Calculation Agent of the occurrence of such event and that the Notes shall redeem in accordance with this Condition 8.2. The Calculation Agent shall thereafter, acting for this purpose as the agent of the Issuer and subject therefore to the relevant provisions of the Principal Trust Deed, the Custody Agreement, any relevant Security Document and the Agency Agreement, proceed to arrange for and administer the sale of the Charged Assets relating to such Series on behalf of the Issuer (and, where applicable, in accordance with such conditions relating to the sale as may be specified in the relevant Issue Terms). Upon receipt of the sale proceeds thereof, the Issuer shall give not more than 30 nor less than 15 days' notice to the Secured Creditors (which notice shall be irrevocable) of the date on which such net sale proceeds (having deducted all costs, expenses and liabilities incurred in connection with such sale) plus or minus (if applicable) any early termination amount payable under the Related Agreement (depending upon whether such early termination amount is payable by or to the Issuer) shall be applied by the Issuer in accordance with the Priority of Payments for such Series in final redemption of such Series.

8.2.2 ***Early Redemption or Restructuring of Charged Assets***

In relation to a Series where:

- (a) the Charged Assets in relation to such Series are redeemed in whole or, if Early Redemption following Partial Prepayment of Charged Assets is specified as applicable in the Issue Terms, in part pursuant to an early redemption of such Charged Assets prior to their stated date of maturity (other than by reason of a payment default or a scheduled amortisation of such Charged Assets); or
- (b) the terms and conditions of the Charged Assets in relation to such Series are amended such that the issuer thereof shall no longer be obliged to pay the same amounts on the same days in the same currency as originally contemplated in the terms and conditions of such Charged Assets as of the date of issue of the Notes,

then promptly upon becoming aware thereof, the Issuer shall notify the Noteholders in accordance with Condition 16 (*Notices*) and the Trustee and the Calculation Agent of the occurrence of such event and that the Notes shall redeem in accordance with this Condition 8.2. The Calculation Agent as agent of the Issuer, subject therefore to the relevant provisions of, where applicable, the Principal Trust Deed, the Custody Agreement and the Agency Agreement, shall, to the extent that the Charged Assets have not been redeemed in whole, proceed to arrange for and administer the sale of the Charged Assets relating to such Series on behalf of the Issuer (and where applicable, in accordance with such Conditions in the Issue Terms relating to the Series of Notes). Upon receipt of the sale proceeds thereof (if applicable) or otherwise promptly following the redemption in whole of the Charged Assets, the Issuer shall give not more than 30 nor less than 15 days' notice to the Secured Creditors (which notice shall be irrevocable)

of the date on which any redemption proceeds received pursuant to (a) above and/or any net sale proceeds (having deducted all costs, expenses and liabilities incurred in connection with such sale) plus or minus (if applicable) any early termination amount payable under the Related Agreement (depending upon whether such early termination amount is payable by or to the Issuer) shall be applied by the Issuer in accordance with the Priority of Payments for such Series in final redemption of such Series.

8.2.3 ***Redemption for taxation and other reasons***

This Condition 8.2.3 is only applicable if so specified in the relevant Issue Terms. If this Condition 8.2.3 applies, then in relation to any Series the Issuer satisfies the Trustee that:

- (a) it would, on the occasion of the next payment date in respect of the Notes in relation to such Series, be required to withhold or account for tax above and beyond those taxes of which the Issuer was aware at the time of issue of the relevant Series of Notes; or
- (b) it would suffer tax above and beyond those taxes of which the Issuer was aware at the time of issue of the relevant Series of Notes in respect of:
 - (i) its income in respect of the Charged Assets; or
 - (ii) payments made to it under a Related Agreement,

relating to such Series so that it would be unable to make payment of the full amount due on the Notes, Coupons, Talons (if any) or Receipts (if any) in relation to such Series; or
- (c) the cost to it of complying with its obligations under or in connection with the Trust Deed or meeting its operating or administrative expenses would be materially increased; or
- (d) due to the adoption of, or any change in, any applicable law after the Issue Date, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful for the Issuer to:
 - (i) perform any absolute or contingent obligation to make a payment in respect of the Notes or any agreement entered into in connection with the Notes;
 - (ii) hold any Charged Assets or to receive a payment or delivery in respect of any Charged Assets; or
 - (iii) comply with any other material provision of any agreement entered into in connection with the Notes,

then promptly upon becoming aware thereof, the Issuer shall notify the Noteholders in accordance with Condition 16 (*Notices*) and the Trustee and the Calculation Agent of the occurrence of such event and that the Notes shall redeem in accordance with this Condition 8.2. The Calculation Agent shall thereafter acting for this purpose as agent of the Issuer and subject therefore to the relevant provisions of, where applicable, the Principal Trust Deed, the Custody Agreement and the Agency Agreement, proceed to arrange for and administer the sale of the Charged Assets relating to such Series on behalf of the Issuer (and where applicable, in accordance with such Conditions in the Issue Terms relating to the Series of Notes). Upon receipt of the sale proceeds thereof, the Issuer shall give not more than 30 nor less than 15 days' notice to the Secured Creditors (which notice shall be irrevocable) of the date on which such net sale proceeds (having deducted all costs, expenses and liabilities incurred in connection with such sale) plus or minus (if applicable) any early termination amount payable under the Related Agreement (depending upon whether such early termination amount is payable

by or to the Issuer) shall be applied by the Issuer in accordance with the Priority of Payments for such Series in final redemption of such Series.

Prior to the publication of the first notice to the Noteholders above in respect of a redemption under Condition 8.2.3(a), (b), (c) or (d) above, the Issuer shall deliver to the Trustee a certificate signed by a director of the Issuer demonstrating that the conditions precedent to the obligations of the Issuer so to redeem have occurred and, in the case of a redemption of Notes under Condition 8.2.3(a) or (b) above, an opinion (in form and substance satisfactory to the Trustee) of legal advisers of recognised standing to the Issuer (previously approved by the Trustee) in the relevant jurisdiction to the effect that the Issuer has or will become obliged to withhold, account for or suffer such tax. The Trustee may rely on the aforementioned certificate and/or opinion without further enquiry.

Notwithstanding the foregoing, if any of the taxes referred to in Condition 8.2.3(a) above arise:

- (i) owing to the connection of any Holder, or any third party having a beneficial interest in the Notes, Coupon, Talon (if any) or Receipts (if any), with the Grand Duchy of Luxembourg (or such other place of incorporation or tax jurisdiction of an Issuer) otherwise than by reason only of the holding of any Note, Coupon or Receipt (if any) or receiving principal, Redemption Amounts, Amortised Face Amounts, interest or Interest Amounts in respect thereof;
- (ii) by reason of the failure by the relevant Holder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax; or
- (iii) in respect of any Note, Coupon or Receipt (if any) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union,

then to the extent it is able to do so, the Issuer shall deduct such taxes from the amounts payable to such Holder or any third party having a beneficial interest in the Notes, Coupon or Receipt, and shall not redeem the Notes of the relevant Series but this shall not affect the rights of the other Holders, Couponholders and Receiptholders (if any) hereunder. Any such deduction shall not constitute an Event of Default under Condition 11 (*Events of Default*).

8.2.4 *Redemption of Notes and Termination of Related Agreement*

- (a) Interest shall continue to accrue on the Principal Amount of Notes (other than Zero Coupon Notes, as to which Condition 8.3 (*Early Redemption of Zero Coupon Notes*) applies) to be redeemed until payment thereof has been made to the Holders or, in the case of Bearer Notes, if later, the seventh day after notice is given in accordance with Condition 16 (*Notices*) that such amount is available for payment. Once the proceeds of sale or redemption of the Charged Assets (having made all deductions from such proceeds as required by this Condition 8.2 (*Mandatory Redemption*)), have been applied in accordance with this Condition 8.2 (*Mandatory Redemption*), failure to make any further payment due in respect of a mandatory redemption under this Condition 8.2 (*Mandatory Redemption*) of part of the Principal Amount of the Notes or interest thereon or any termination payment under any Related Agreement shall not constitute an Event of Default under Condition 11 (*Events of Default*).
- (b) The relevant Related Agreement (if any) will provide that on or prior to the redemption of Notes pursuant to this Condition 8.2 (*Mandatory Redemption*) such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be redeemed) will terminate. The relevant Issue Terms will set out all the terms of such termination (which will reflect the terms of such Related

Agreement). The relevant Issue Terms will also set out the terms on which the Security over the relevant Charged Assets or part thereof may be released to provide funds for such redemption (which will reflect the terms of the relevant Supplemental Trust Deed and/or Supplemental Security Document).

8.3 Early Redemption of Zero Coupon Notes

8.3.1 In relation to any Note which (i) does not bear interest prior to the Maturity Date; and (ii) the Redemption Amount of which is not linked to an index and/or a formula, the amount payable:

- (a) upon redemption of such a Note pursuant to Condition 8.2 (*Mandatory Redemption*) above or, if applicable, Conditions 8.4 (*Redemption at Issuer's Option and Exercise of Issuer's Option*) or 8.5 (*Redemption at the Noteholder's Option and Exercise of the Noteholders' Option*); or
- (b) upon it becoming due and payable as provided in Condition 11 (*Events of Default*),

(the date on which such amount is due and payable being the "**Zero Coupon Early Redemption Date**") shall be calculated in accordance with Conditions 8.3.2 and 8.3.3 below (being the "**Amortised Face Amount**" of such Note). Any references in the Conditions to "principal" or "Principal Amount" in the case of Zero Coupon Notes shall be deemed to include references to the applicable "Amortised Face Amount" where the context permits.

8.3.2 Subject to the provisions of Condition 8.4.3 below, on a Zero Coupon Early Redemption Date, the Amortised Face Amount of a relevant Zero Coupon Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted to such Zero Coupon Early Redemption Date at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (compounded annually). Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown on the face of such Zero Coupon Note or specified in the relevant Issue Terms.

8.3.3 In circumstances in which there is a failure to pay when due any amount that is payable in respect of any Zero Coupon Note on a Zero Coupon Early Redemption Date, the amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note, determined in accordance with Condition 8.3.2 above **provided that** such Amortised Face Amount shall not be calculated as of the Zero Coupon Early Redemption Date but rather shall be calculated as of the date (being the "**Relevant Date**") which is the earlier of:

- (a) the date on which all amounts due in respect of the Note have been paid; or
- (b) the date on which the full amount of the moneys payable has been received by the Trustee or the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, and notice to that effect has been given to Noteholders in accordance with the provisions of Condition 16 (*Notices*).

The calculation of the Amortised Face Amount will continue to be made (as well after as before judgment) on each Business Day until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the Principal Amount of such Note together with any interest which may accrue in accordance with Condition 7.1 (*Interest Rate and Accrual*).

8.4 Redemption at Issuer's Option and Exercise of Issuer's Option

8.4.1 If so specified in the relevant Issue Terms, the Issuer may, subject to compliance with all relevant laws, regulations and directives, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders falling within an Issuer's Redemption Option

Period (as specified in the relevant Issue Terms), redeem or exercise the Issuer's Redemption Option (as specified in the relevant Issue Terms) in relation to all or, if so provided, some only of the Notes in the manner and on the date or dates specified in the relevant Issue Terms (the "**Issuer's Redemption Option Date(s)**") in the Redemption Amount specified in such relevant Issue Terms together with interest accrued to the date fixed for such redemption, or (in the case of Zero Coupon Notes) at its Amortised Face Amount on such date.

- 8.4.2 Notice having been given by the Issuer to redeem Note(s) pursuant to this Condition may not be withdrawn (save with the prior written consent of the Trustee) and the Issuer shall be bound to redeem the Note(s) in accordance with the notice, this Condition and the relevant Issue Terms.
- 8.4.3 In the case of a partial redemption of Notes or a partial exercise of the Issuer's Redemption Option (if permitted as specified in the relevant Issue Terms) when the Notes are in definitive form or are Registered Notes, the Notes to be redeemed will be selected in the manner indicated in such Issue Terms and notice of the Notes called for redemption will be published in accordance with Condition 16 (*Notices*) not less than 15 days prior to the date fixed for such redemption.
- 8.4.4 The relevant Related Agreement will provide that on the redemption of Notes by the Issuer and/or the exercise of the Issuer's Redemption Option in relation to the Notes, such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be redeemed by the Issuer pursuant to the exercise of such Issuer's Redemption Option) will terminate. The relevant Issue Terms will set out the terms of such termination (which will reflect the terms of such Related Agreement). The relevant Issue Terms will also set out the terms on which the Security over the relevant Charged Assets and/or Compartment Assets or part thereof may be released to provide funds for such redemption or for the exercise of such Issuer's Redemption Option (which will reflect the terms of the relevant Supplemental Trust Deed).

8.5 **Redemption at the Noteholder's Option and Exercise of the Noteholders' Option**

- 8.5.1 If the Issue Terms in respect of a Series of Notes provides for a Noteholder's Option in respect of the redemption of such Notes, the Issuer shall, subject to compliance with all relevant laws, regulations and directives and the terms of such Noteholder's Option, redeem all or, if so provided, some only of the Notes in the manner and on the date or dates specified in such Issue Terms (the "**Noteholder's Redemption Option Date(s)**") at its Redemption Amount specified in such Issue Terms or at its Amortised Face Amount (in the case of Zero Coupon Notes), together with interest (if any) accrued to the date fixed for such redemption.
- 8.5.2 To exercise such Noteholder's Option which may be specified in such Issue Terms, the Noteholder must deposit the relevant Note or, in the case of Registered Notes, the Note Certificate in respect thereof, with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at their respective Specified Offices, together with a duly completed exercise notice in the form obtainable from any Paying Agent (in the case of Bearer Notes) or from the Registrar or any Transfer Agent (in the case of Registered Notes) not less than 30 nor more than 60 days prior to the relevant date for redemption or pursuant to the exercise of such Noteholder's Option.
- 8.5.3 The relevant Related Agreement will provide that on the redemption of Notes by the Noteholders pursuant to the exercise of the Noteholders' Option in relation to the Notes such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be redeemed by the Noteholders pursuant to the exercise of such Noteholder's Option) will terminate. The relevant Issue Terms will set out the terms of such termination (which will reflect the terms of such Related Agreement). The relevant Issue Terms will also set out the terms on which the Security over the relevant Charged Assets or part thereof may be released to provide funds for such redemption pursuant to the exercise of

the Noteholders' Option (which will reflect the terms of the relevant Supplemental Trust Deed).

8.6 ***Redemption by Instalments***

Unless previously redeemed, purchased and cancelled as provided in this Condition 8 (*Redemption and Purchase*), each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified on it, whereupon:

8.6.1 the outstanding Principal Amount of such Note shall be reduced by the Instalment Amount for all purposes; and

8.6.2 the notional amount(s) of principal under any Related Agreement upon which payments under the Series of Notes of which such Note forms part are calculated shall be reduced in a proportion equal to the proportion which the Instalment Amount bears to the original notional amount(s) of such Related Agreement.

8.7 ***Charged Asset Amortisation and Instalments***

If Charged Asset Amortisation is specified as applicable in the Issue Terms, in the event that the Issuer receives a principal payment in respect of the Charged Assets in respect of a scheduled amortisation of the Charged Assets (such amount, an "**Amortisation Amount**") on a Scheduled Amortisation Date in respect of the Charged Assets falling prior to the Maturity Date, the Issuer shall pay to the Noteholders in respect of each Note an amount equal to such Note's *pro rata* share of the Amortisation Amount (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments) as an Instalment Amount. The Instalment Date in respect of such Instalment Amount shall be the number of Business Days specified in the applicable Issue Terms (or, if the number of Business Days is not specified in the applicable Issue Terms, three (3) Business Days) following the date on which the Issuer receives the relevant Amortisation Amount.

For the avoidance of doubt, if any Amortisation Amount received by the Issuer on a Scheduled Amortisation Date is less than the scheduled amortisation amount specified in the amortisation schedule, the Instalment Amount payable on the Notes will be calculated by reference to the Amortisation Amount received by the Issuer. If the Issuer receives a principal payment in respect of a scheduled amortisation amount which is paid subsequent to the Scheduled Amortisation Date for such scheduled amortisation amount, the Issuer shall promptly notify Noteholders thereof in accordance with Condition 16 (*Notices*) and shall pay to the Noteholders in respect of each Note as an Instalment Amount an amount equal to such Note's *pro rata* share of such amount (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments). The Instalment Date in respect of such Instalment Amount shall be the Business Day falling five (5) Business Days following the date on which the Issuer receives the relevant payment (or, if earlier, the date on which the Notes are finally redeemed pursuant to this Condition 8).

In respect of a Charged Asset which is scheduled to amortise, the scheduled amortisation amounts, Scheduled Amortisation Dates and related Instalment Dates resulting from the amortisation schedule in respect of the Charged Assets applicable at the Issue Date will be set out in the applicable Issue Terms. The Issuer shall promptly, and in any event no later than the date falling three (3) Business Days prior to the first following Instalment Date, notify Noteholders in accordance with Condition 16 (*Notices*) of any changes to the scheduled amortisation amounts resulting from an unscheduled partial prepayment in respect of the Charged Assets.

In these Conditions:

"Scheduled Amortisation Date" means each date on which an amortisation amount is scheduled to be paid in respect of the Charged Assets in accordance with the then current amortisation schedule of the Charged Assets (set out in the applicable Issue Terms or subsequently notified to Noteholders pursuant to this Condition 8.7).

8.8 ***Charged Asset Prepayment and Instalments***

If Early Redemption following Partial Prepayment of Charged Assets is specified as not applicable in the Issue Terms, in the event that the Issuer receives a principal payment (other than a scheduled amortisation amount) in respect of the Charged Assets in respect of a prepayment in part of the Charged Assets (such amount, a "**Prepayment Amount**") prior to the Maturity Date, the Issuer shall promptly, and in any event no later than the date falling five (5) Business Days following such receipt, notify the Noteholders in accordance with Condition 16 (*Notices*) of its receipt of such Prepayment Amount and of the related Instalment Date.

On the date falling three (3) Business Days following the date of such notice (or, if earlier, on the date on which the Notes are finally redeemed pursuant to this Condition 8) which such date shall be an Instalment Date, the Issuer shall pay to the Noteholders in respect of each Note as an Instalment Amount an amount equal to such Note's *pro rata* share of the relevant Prepayment Amount (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments).

8.9 ***Pass through of uncheduled amounts in respect of the Charged Assets***

If Pass-Through Notes are specified as applicable in the relevant Issue Terms, to the extent the Issuer receives any amounts other than principal or interest in respect of the Charged Assets and not otherwise referred to in these Conditions or the Issue Terms from the obligor of the Charged Asset in respect of such Charged Assets (such amount, an "**Unscheduled Amount**"), and to the extent such amounts are not for the Issuer's own account, the Issuer shall promptly, and in any event no later than the date falling five (5) Business Days following such receipt, notify the Noteholders in accordance with Condition 16 (*Notices*) of its receipt of such Unscheduled Amount and of the related uncheduled interest payment date.

On the date falling three (3) Business Days following the date of such notice (or, if earlier, on the date on which the Notes are finally redeemed pursuant to this Condition 8), the Issuer shall pay to the Noteholders in respect of each Note as an amount equal to such Note's *pro rata* share of the relevant Unscheduled Amount (*less* any amount due and payable to any person ranking senior to the Noteholders in the Priority of Payments) as an additional interest amount in respect of the Notes.

8.10 ***Cancellation***

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

8.11 ***Purchase***

8.10.1 If a purchase option is specified in the relevant Issue Terms, the Issuer may, provided that no Event of Default (as defined in Condition 11 (*Events of Default*)) has occurred and is continuing, and no mandatory redemption event (as described in Condition 8.2 (*Mandatory Redemption*)) has occurred, purchase the Notes (or any of them) (provided that all unmaturred Receipts and Coupons and unexchanged Talons (if any) appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price.

8.10.2 The relevant Related Agreement (if any) will provide that on such purchase such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be purchased) will terminate. The relevant Issue Terms will set out all the terms of such termination (which will reflect the terms of such Related Agreement). The relevant Issue Terms will also set out the terms on which the Security over the relevant Charged Assets

or part thereof may be released to provide funds for such purchase (which will reflect the terms of the relevant Supplemental Trust Deed). No interest will be payable with respect to a Note purchased pursuant to this Condition in respect of the period from the Issue Date or the previous date for the payment of interest on the Note, as the case may be, to the date of such purchase and thereafter.

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

9. PAYMENTS

9.1 Bearer Notes

Payments of principal (or, as the case may be, Redemption Amounts) and interest (or, as the case may be, Interest Amounts) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than on the due date for redemption and **provided that** the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 9.6.5) or Coupons (in the case of interest, save as specified in Condition 9.6.5), 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 Holders by transfer to an account denominated in that currency with a bank in (a) the principal financial centre of the country of the currency concerned if that currency is not euro, or (b) the principal financial centre of any Member State of the European Communities if that currency is euro; **provided that** in the case of British pounds sterling, the cheque shall be drawn on a branch of a bank in London. However, no payment of principal or interest in respect of Bearer Notes shall be made by cheque which is mailed to an address in the United States nor by transfer made in lieu of payment by cheque to an account maintained by the payee with a bank in the United States.

9.2 Registered Notes

- 9.2.1 Payments of principal (or, as the case may be, Redemption Amounts) in respect of Registered Notes will be made against the presentation and surrender of the relevant Registered Note Certificate at the Specified Office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 9.1 (*Bearer Notes*) above.
- 9.2.2 Payments of instalments in respect of Registered Notes will be made against the presentation and surrender of the relevant Registered Note Certificate at the Specified Office of any of the Transfer Agents or of the Registrar in the manner provided in Condition 9.1 (*Bearer Notes*) above and annotated on the Register and the relevant Registered Note Certificate.
- 9.2.3 Interest (or, as the case may be, Interest Amounts) on Registered Notes payable on any Interest Payment Date will be paid to the persons shown on the Register on the fifteenth day before the due date for payment thereof (the "**Record Date**") (subject as provided below). Payment of interest or Interest Amounts on each Registered Note will be made in the currency in which such Notes are denominated by cheque drawn on a bank in (a) the principal financial centre of the country of the currency concerned if that currency is not euro, or (b) the principal financial centre of any Member State of the European Communities if that currency is euro, and mailed to the Noteholder (or to the first-named of joint Noteholders) of such Note at its address appearing in the Register. Upon application by the Noteholder to the Specified Office of the Registrar or any Transfer Agent at least ten days before the relevant payment date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in (a) the principal financial centre of the country of that currency if that currency is not euro, or (b) the principal financial centre of any Member State of the European Communities if that currency is euro.

9.2.4 Payments in British pounds sterling will be made in the manner specified in Condition 9.1 (*Bearer Notes*).

9.3 **Payments in the United States**

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

- (a) the Issuer shall have appointed Paying Agents with Specified Offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in U.S. dollars in the manner provided above when due;
- (b) payment in full of such amounts in U.S. dollars at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
- (c) such payment is then permitted by United States law, without involving adverse tax consequences to the Issuer (as certified by the Issuer to the Trustee on the basis of appropriate United States tax advice).

9.4 **Payments subject to fiscal laws; payments on Registered Notes**

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

9.4.2 Subject to Condition 9.2 (*Registered Notes*), the Holder of a Registered Note shall be the only person entitled to receive payments of principal (or Redemption Amounts) and interest (or Interest Amounts) on such Registered Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Registered Note in respect of each amount paid.

9.5 **Appointment of the Principal Paying Agent, the Paying Agents, the Programme Agent, the Registrar, the Transfer Agents and the Calculation Agent**

The Agents act solely as agents of the Issuer, or the Trustee (as the case may be), and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, **provided that** the Issuer will at all times maintain (i) a Principal Paying Agent, (ii) (while any Series of Registered Notes remains outstanding), a Registrar, (iii) a Calculation Agent where the Conditions so require one and (iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 16 (*Notices*).

9.6 **Unmatured Coupons and Receipts and unexchanged Talons**

9.6.1 Subject to the provisions of the relevant Issue Terms, upon the due date for redemption of any Note which is a Bearer Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

9.6.2 Upon the date for redemption of any Note, any unmaturing Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

- 9.6.3 Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- 9.6.4 Where any Note, which is a Bearer Note, 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 provision of such indemnity as the Issuer may require.
- 9.6.5 If the due date for redemption of any Note is not a due date for payment of interest or an Interest Amount, interest shall accrue from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on the redemption of such Note against presentation thereof.

9.7 **Non-Business Days**

Subject as provided in the Issue Terms for a Series of Notes, if any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Holder shall not be entitled to payment until the next following business day or to any interest or other sum in respect of such postponed payment.

In this Condition 9.7, "**business day**" means:

- 9.7.1 if the currency of payment is euro, any day which is:
- (a) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (b) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- 9.7.2 if the currency of payment is not euro, any day which is:
- (a) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (b) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

9.8 **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the Specified Office of any Paying Agent in exchange for a further coupon sheet (and, if necessary, another Talon for a further coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 13 (*Prescription*)).

9.9 **Avoided Payments**

If the Issuer has made a payment to the Noteholders under the Notes which was funded (whether directly or indirectly through an exchange under a Related Agreement) by an amount received by the Issuer under the Charged Assets or otherwise which is subsequently avoided under any applicable bankruptcy, insolvency, receivership or similar law and, as a result thereof, a court or other judicial, arbitral or governmental authority has ordered the Issuer to return or turn over such amount (and, if applicable, to pay interest thereon), then the Issuer may deduct such amount (and

any interest thereon) from any future amounts that would otherwise be payable to the Noteholders in respect of the Notes. Any such deduction shall not constitute an Event of Default under Condition 11 (*Events of Default*).

Notice of a deduction pursuant to this Condition 9.9 shall be given to Noteholders in accordance with the provisions of Condition 16 (*Notices*) no later than the second Business Day prior to the relevant due date for payment on which such deduction will be effected together with details of the amount of principal, interest or any other amount which will be paid by the Issuer in respect of the relevant Notes following such deduction.

10. TAXATION

10.1 No withholding unless required by Law; No Gross-up

All payments in respect of the Notes, Receipts or Coupons will be made without withholding or deduction in respect of any present or future taxes, duties or charges of whatsoever nature unless the Issuer, or any Paying Agent, Registrar or, where applicable, the Trustee is required by applicable law to make any payment in respect of the Notes, Receipts or Coupons subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer, such Paying Agent, Registrar or the Trustee (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, nor any Paying Agent, nor the Registrar nor the Trustee will be obliged to make any additional payments to the Holders, in respect of such withholding or deduction, but Condition 8.2.3 (*Redemption for taxation and other reasons*) will, if so specified in the relevant Issue Terms, apply.

10.2 FATCA Withholding

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any intergovernmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the US Internal Revenue Service ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

11. EVENTS OF DEFAULT

11.1 Occurrence of Events of Default

The Trustee at its discretion may, and if so requested by the Priority Secured Creditor of a Series shall (in each case, **provided that** the Trustee is secured and/or indemnified and/or prefunded, or both, to its satisfaction) give notice (an "**Enforcement Notice**") to the Issuer that the Notes of such Series are, and they shall accordingly immediately become, due and repayable, at their Redemption Amount together with accrued interest (or, in the case of Zero Coupon Notes (unless the Conditions provide otherwise) at their Amortised Face Amount) or as otherwise specified in the relevant Issue Terms and the Security constituted by the Trust Deed in respect of such Series shall thereupon become enforceable (as provided in the Trust Deed) on the occurrence of any of the following events (each an "**Event of Default**"):

11.1.1 if default is made for a period of 30 days or more in the case of interest or seven days or more, in the case of principal, in the payment of any sum due in respect of such Notes or any of them; or

11.1.2 if the Issuer fails to perform or observe any of its other obligations under the Notes of such Series or the Trust Deed and, where the Trustee considers, in its absolute discretion that such default can be remedied, such failure continues for a period of 30 days following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or

11.1.3 if any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer or an order is made for the Issuer's bankruptcy save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee; or

11.1.4 if any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws (but excluding the presentation of any application for an administration order) and such proceedings are not being disputed in good faith, or a receiver, administrator or other similar official (not being a receiver or manager appointed by the Trustee pursuant to the Principal Trust Deed) is appointed in relation to the Issuer or in relation to the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer or an encumbrancer (not being the Trustee or any receiver or manager appointed by the Trustee) shall take possession of the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer or a distress or execution or other process shall be levied or enforced upon or sued out against the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer (other than, in any such case, by the Trustee or pursuant to any of the Transaction Documents or the Trade Documents) and in any of the foregoing cases such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or if the Issuer shall initiate or consent to judicial proceedings relating to itself (except in accordance with Condition 11.1.3 above) under any applicable liquidation, bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or shall make a conveyance or assignment for the benefit of its creditors generally; or

11.1.5 the Issuer becomes insolvent or is adjudicated or found bankrupt.

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

11.2 **Confirmation of No Event of Default**

The Issuer shall 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.

11.3 **Realisation of the Compartment Assets upon redemption**

In the event of the Security constituted under the Trust Deed becoming enforceable following an acceleration of the Notes of a particular Series as provided in this Condition 11, the Trustee shall take, but in each case without any liability as to the consequence of such action and without having regard to the effect of, or being required to account for, such action to, the Secured Creditors in relation to such Series, have the right to enforce its rights under the Security Documents, in relation to the relevant Compartment Assets in relation to such Series only, **provided that** the Trustee shall not be required to take any action that would involve the Trustee in any personal liability or expense unless previously secured and/or indemnified and/or prefunded to its satisfaction.

11.4 **Events of Default occur separately in respect of different Series**

The provisions of the Trust Deed are expressed to apply separately to each Series. Accordingly, the occurrence of an Event of Default under one Series does not *per se* constitute or trigger an Event of Default under any other Series. The Trust Deed may specify circumstances in which the Security for a Series will become enforceable without the Trustee serving an Enforcement Notice.

12. **LIMITED RECOURSE AND ENFORCEMENT**

12.1 **Limited Recourse**

If the amounts realised from the Compartment Assets in respect of any Series (including, without limitation, a realisation of the Security or a sale or redemption of the Charged Assets and

termination of any Related Agreement in accordance with these Conditions) are not sufficient (after meeting the Trustee's, the Paying Agent's, the Custodian's and any receiver's expenses, liabilities and remuneration, and any other amounts that rank in priority to the Notes of such Series) to make payment of all amounts due in respect of the Notes of such Series and all other Secured Obligations with respect to that Series including, without limitation any amount due to the Counterparty as a result of the termination of any Related Agreement, no other assets of the Issuer will be available to meet that shortfall.

12.2 **Priority of Payments**

Amounts realised from the Compartment Assets shall be applied in accordance with the Priority of Payments specified in the Supplemental Trust Deed.

12.3 **Extinguishment of Claims**

The net proceeds of the Compartment Assets for the relevant Series may be insufficient to pay all amounts due to the Secured Creditors in respect of such Series. Any claim of the Noteholders or of any other Secured Creditor with respect to that Series or any outstanding amount remaining after the realisation of the Compartment Assets and the application of the proceeds thereof shall be extinguished and such Secured Creditors will have no further recourse to the Issuer and any failure to make any payment in respect of such shortfall shall in no circumstances constitute an Event of Default under Condition 11 (*Events of Default*).

12.4 **Trustee with sole Right to proceed against Issuer**

Only the Trustee may pursue the remedies available under the Trust Deed, the Conditions, the Transaction Documents and the Trade Documents and enforce the rights of the Secured Creditors in relation to the Charged Assets of the relevant Series. No Secured Creditor of such Series is entitled to proceed directly against the Issuer or any assets of the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Principal Trust Deed, any Supplemental Trust Deed, any Supplementary Security Document executed in relation to the Notes or the Conditions, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. However, the Trustee shall not be bound to take any action to enforce the Security or pursue the remedies available under the Trust Deed, the Conditions (including under Condition 11.1 (*Occurrence of Events of Default*)), any of the Transaction Documents or any of the Trade Documents or otherwise take any action unless it is secured and/or indemnified and/or prefunded to its satisfaction and has, if so required by the Conditions, been requested to do so by the Priority Secured Creditor in respect of the relevant Series.

12.5 **Enforcement of Security Sole Remedy**

The Secured Creditors accept and agree that the only remedy of the Trustee against the Issuer of any Series after any of the Notes in a Series have become due and payable pursuant to Condition 11 (*Events of Default*) is to enforce the Security for the relevant Series pursuant to the provisions of the Trust Deed and any Supplementary Security Document executed in relation to such Series.

After realisation of the Security in respect of such Series which has become enforceable and distribution of the net proceeds thereof in accordance with Condition 5.7 (*Application of Proceeds by Trustee*), neither the Trustee nor any Secured Creditor in respect of such Series may take any further steps against the Issuer, or any of its assets to recover any sums due but unpaid in respect of the Notes or otherwise and the relevant Related Agreement will provide that the Counterparty may not take any further steps against the Issuer, or any of its assets to recover any sums due to it but unpaid in respect of the relevant Related Agreement in respect of such Series and all claims and all rights to claim against the Issuer in respect of each such sum unpaid shall be extinguished pursuant to Condition 12.3 (*Extinguishment of Claims*) above.

12.6 **Non-Petition**

No Secured Creditor, nor the Trustee on its behalf, may institute against, or join any person in instituting against the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Trust Deed) or other proceeding under any similar law for so long as

any Notes issued by the Issuer are outstanding or for two years plus one day after the latest date on which any Note issued by the Issuer is due to mature.

13. **PRESCRIPTION**

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

14. **REPLACEMENT OF NOTES, COUPONS, RECEIPTS AND TALONS**

If any Bearer Note, Registered Note Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and any relevant stock exchange requirements, at the Specified Office of the Principal Paying Agent (in the case of Bearer Notes, Receipts, Coupons and Talons) and the Registrar or any Transfer Agent in London (in the case of Registered Notes), upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

15. **MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND AUTHORISATION**

15.1 **Meetings of Noteholders, Modifications and Waiver**

15.1.1 The Principal Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider matters affecting their interests, including the modification by Extraordinary Resolution of the Conditions or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than one half of the Principal Amount of the Notes of the relevant Series for the time being outstanding, or at any adjourned such meeting, two or more persons being or representing Noteholders of the relevant Series, whatever the Principal Amount of the Notes so held or represented, except that certain terms concerning Reserved Matters may only be passed by Extraordinary Resolutions passed at a meeting the quorum at which shall be two or more persons holding or representing not less than 75 per cent. of the Principal Amount of the Notes for the time being outstanding or at any adjourned such meeting, not less than 25 per cent. in Principal Amount of the Notes of the relevant Series for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Holders of the relevant Series, whether or not they were present at such meeting, and on Couponholders (if any).

The Principal Trust Deed also permits a resolution in writing, signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders, to take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

Where the Notes are held by or on behalf of a clearing system or clearing systems, the Principal Trust Deed also provides that approval of a resolution proposed by the Issuer or the Trustee (as the case may be), given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in aggregate nominal amount of the Notes then outstanding, shall take effect as if it were an Extraordinary Resolution.

15.1.2 The Trustee may without prejudice to its rights in respect of any subsequent breach, condition, event or act at any time and without the consent of the Noteholders or any other Secured Creditors, but only if and in so far as in its opinion the interests of the

Noteholders of the relevant Series (in relation to which it is Trustee) will not be materially prejudiced thereby:

- (a) waive or authorise any breach or proposed breach by the Issuer of any of the covenants or provisions contained in these Conditions, the Trust Deed or any other Transaction Document or Trade Document in relation to a Series;
- (b) determine that any Event of Default or Potential Event of Default in relation to such Series shall not be treated as an Event of Default or, as the case may be, Potential Event of Default in relation to such Series for the purposes of the Trust Deed in relation to such Series,

provided that the Trustee shall not exercise any powers conferred on it in contravention of any express request given by the Priority Secured Creditor but so that no such request shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination may be given or made on such terms and subject to such conditions as may seem fit and proper to the Trustee, shall be binding on the Secured Creditors of such Series and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the relevant Secured Creditors of such Series as soon as practicable thereafter.

15.1.3 The Trustee may, without the consent or sanction of the Noteholders or any other of the Secured Creditors of any Series, at any time and from time to time concur with the Issuer in making any:

- (a) modification (other than sub-paragraph (c) of the definition of "**Relevant Fraction**" and the definition of "**Reserved Matter**" in paragraph 1 (*Definitions*) of Schedule 1 (*Provisions for Meetings of the Noteholders*) to the Principal Trust Deed, or relating to a matter falling within that definition) to these Conditions, the Principal Trust Deed or any of the other Transaction Documents or Trade Documents to which the Trustee is a party or in respect of which it holds security, **provided that** the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders of the relevant Series (in relation to which it is Trustee);
- (b) determination that any Event of Default or Potential Event of Default in relation to such Series shall not be treated as an Event of Default, or as the case may be, Potential Event of Default in relation to such Series for the purposes of these presents in relation to such Series **provided that** the Trustee is of the opinion that such determination will not be materially prejudicial to the interests of the Noteholders of the relevant Series;
- (c) modification to the Principal Trust Deed or any of the other Transaction Documents or Trade Documents to which the Trustee is a party or in respect of which it holds Security if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a manifest error;
- (d) modification to the terms of the Charged Assets:
 - (i) **provided that** the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders of the relevant Series; or
 - (ii) if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a manifest error.

Notwithstanding the provisions at Condition 15.1.3(a), (b), (c) and (d) above of these Conditions, the Trustee will not exercise any powers conferred on it by this Condition 15.1.3 in contravention of any express direction given by an Extraordinary Resolution but no such direction will affect any authorisation, waiver or determination previously given or made.

15.1.4 Any such waiver, authorisation, determination or modification may be made on such terms and subject to such conditions as may seem fit and proper to the Trustee, shall be binding upon the Holders of such Series and any other Secured Creditor relating to such Series and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*) and the other Secured Creditors as soon as practicable thereafter.

15.2 **Authorisation**

Prior to the occurrence of an Event of Default, the Issuer shall only be entitled to exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in the Charged Assets in accordance with Condition 5.4 (*Exercise of Rights under Charged Assets*). Following the occurrence of an Event of Default, the Trustee may, but need not, exercise any rights, (including voting rights) in respect of such Charged Assets (and in either case shall bear no liability for so exercising or electing not to exercise); **provided that** it shall nevertheless exercise any such rights if requested to do so by the Priority Secured Creditor, subject to it being indemnified and/or secured and/or prefunded to its satisfaction and if the Trustee does exercise any such rights pursuant to such request, it will bear no liability for so doing.

15.3 **Entitlement of the Trustee**

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

16. **NOTICES**

16.1 **Notice Requirements**

Notices to Noteholders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the fourth Business Day after the date of posting. Other notices to Noteholders will be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if in the opinion of the Trustee such publication shall not be practicable, in an English language daily newspaper of general circulation in Europe. Any such notice (other than to Noteholders of Registered Notes as specified above) 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 first date on which publication is made. Couponholders and Receiptholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

16.2 **Notices to be given to Clearing Systems**

A copy of all notices provided pursuant to this Condition 16 shall also be given to Euroclear, Clearstream, Luxembourg and any other relevant clearing system for so long as the Notes are cleared through such clearing system.

16.3 **Notices received under Charged Assets**

If Forwarding of Charged Asset Notices is specified as applicable in the relevant Issue Terms, the Issuer shall deliver to the Principal Paying Agent, the Calculation Agent and the Trustee promptly upon receipt thereof, a copy of any statement, notice, correspondence or other written material received from or on behalf of the Borrower in respect of the Charged Assets including, but not limited to, any statement, notice, correspondence or other written material relating to a right of the Issuer to vote on any aspect of the Charged Assets ("**Correspondence**"), and the Principal Paying Agent shall deliver a copy of such Correspondence to the Noteholders, promptly upon receipt thereof, in accordance with the provisions for delivery of notices in this Condition 16 (provided that Clause 16.1.6 of the Principal Trust Deed shall not apply to any such

Correspondence to be delivered by the Principal Paying Agent to the Noteholders pursuant to this Condition 16.3).

17. **INDEMNIFICATION OF THE TRUSTEE**

17.1 **Trustee's indemnity: Trustee free to enter into transactions**

The Trust Deed contains provisions for indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any actions (including the giving of an Enforcement Notice pursuant to Condition 11.1 (*Occurrence of Events of Default*) and the taking of proceedings to enforce repayment) unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee or any of its affiliates is entitled to enter into business transactions with the Issuer, any issuer or guarantor of (or other obligor in respect of) any of the securities or other assets, rights and/or benefits comprising the Compartment Assets or the Secured Creditors or any of their respective subsidiaries or associated companies without accounting to the Secured Creditors for any profit resulting therefrom.

17.2 **Exclusion of liability of Trustee**

The Trustee shall not be responsible for (nor shall it have any liability with respect to any loss, diminution in value or theft of all or any part of the Charged Assets) insuring all or any part of the Charged Assets (including, in either such case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder) or procuring the same to be insured or monitoring the adequacy of any insurance arrangements and from any claim arising in each case if all or any part of the Charged Assets (or any such document aforesaid) are held in an account with Euroclear, Clearstream, Luxembourg or any similar clearing system in accordance with that system's rules or otherwise held in safe custody by the Custodian or a bank or other custodian selected by the Trustee. The Trustee does not have any responsibility for monitoring the actions of the Custodian and, in particular, the Trustee will incur no liability, vicarious or otherwise, for any actions or inactivity of the Custodian.

18. **EXTRAORDINARY EXPENSES**

Notwithstanding any other provisions of these Conditions and unless this Condition 18 is specified not to be applicable in the Issue Terms, if, on the date that the Issuer is due to pay to Noteholders any amount in respect of interest, principal or other amounts pursuant to these Conditions, the Issuer has due and payable amounts in respect of Extraordinary Expenses, the Calculation Agent acting on behalf of the Issuer shall reduce such amounts otherwise payable to Noteholders by an amount in aggregate equal to such Extraordinary Expenses so as to permit the Issuer to satisfy such Extraordinary Expenses and such reduction in amounts otherwise due to Noteholders shall not constitute an Event of Default nor will the Noteholders at any time have any right to receive any or all of the amount so deducted. Notice of a reduction pursuant to this Condition 18 shall be given to Noteholders in accordance with the provisions of Condition 16 (*Notices*) no later than the second Business Day prior to the relevant due date for payment on which such reduction will be effected together with details of the amount of principal, interest or any other amount which will be paid by the Issuer in respect of the relevant Notes following such reduction.

"**Extraordinary Expenses**" means any fees, expenses, out-of-pocket expenses or costs including, without limitation, the fees, costs and expenses of professional advisers retained by the Issuer (plus any applicable VAT thereon) which are incurred by the Issuer in accordance with, pursuant to or so as to permit the Issuer to comply with a Transaction Document or a Trade Document to the extent that the Issuer is not otherwise reimbursed for such fees, expenses or costs.

19. **ROUNDING**

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 down to the nearest unit of such currency. 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 one euro cent (0.01 euro).

20. **GOVERNING LAW**

20.1 **Governing Law**

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

20.2 **Securitisation Act**

In accordance with Article 66(1) of the Securitisation Act, Articles 86 to 94-98 inclusive of the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time, do not apply to the Notes.

20.3 **English courts**

The Issuer has, in the Principal Trust Deed, irrevocably agreed that the courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising from or connected with the Notes. The Principal Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction and that, to the extent permitted by law, the Trustee may take concurrent Proceedings in any number of jurisdictions.

20.4 **Appropriate forum**

The Issuer has, in the Principal Trust Deed, irrevocably agreed that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

20.5 **Process agent**

The Issuer has, in the Principal Trust Deed, agreed that the process by which any proceedings commenced in connection with a Dispute in England are begun may be served on it by being delivered to the agent specified for service of process in the Trust Deed or its other registered office for the time being. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall, on the written demand of the Trustee, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the Trustee shall be entitled to appoint such a person by written notice to the Issuer. In respect of each Series of Notes the Issuer may appoint one or more additional process agents. Nothing contained herein shall affect the right of any Secured Creditor to serve process in any other manner permitted by law.

20.6 **Third Party Rights**

No person shall have any right to enforce any term or condition of the Notes pursuant to the Contracts (Rights of Third Parties) Act 1999.

FORM OF ISSUE TERMS – FORM OF FINAL TERMS

Final Terms dated [•]

MARCH INTERNATIONAL ISSUANCES S.A.

(incorporated as a public limited liability company (*société anonyme*) under the laws of Luxembourg with its registered office at 6, rue Eugène Ruppert, L-2453 Grand Duchy of Luxembourg, registered with the trade and companies register under number B215157 and subject to the Securitisation Act)

(acting in respect of its Compartment [•]) (the "Issuer")

Issue of [AGGREGATE NOMINAL AMOUNT OF TRANCHE] [TITLE OF NOTES]

under the Secured Note Programme

The Notes issued by the Issuer will be subject to the Conditions and also to the following terms (the "Final Terms") in relation to the Notes.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 June 2017 [and the Supplemental Prospectus dated [•]] [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). For the purpose of these Final Terms, references to Issue Terms in the Base Prospectus shall be read and construed as references to Final Terms in respect of the Notes. This document constitutes the applicable Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these applicable Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at www.ise.ie and www.centralbank.ie [[and] during normal business hours at [•] [and copies may be obtained from [•]]].

The expression "**Prospectus Directive**" means Directive 2003/71/EC and amendments thereto, including those amendments effected by Directive 2010/73/EU.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 16 June 2017 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus has been published on [Issuer's/financial intermediaries/regulated market/competent authority] website].

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms.

[In accordance with the Prospectus Directive, no prospectus is required in connection with the issuance of the Notes described herein.]

(Final Terms shall only be used for Notes where the Charged Assets are the Banca March Charged Assets.)

(Consideration should be given as to whether a supplement to the Prospectus under Article 16 of the Prospectus Directive might be required.)

(Note: Headings are for ease of reference only.)

SERIES DETAILS

1. Issuer: March International Issuances S.A. acting in respect of its Compartment [•].

A separate compartment has been created by the Board in respect of the Notes ("**Compartment [•]**"). Compartment [•] is a separate part of the Company's assets and liabilities. The Charged Assets (relating to the Notes) are exclusively available to satisfy the rights of the Noteholders (in accordance with the terms and conditions set out in these Final Terms) and the rights of the Other Secured Creditors whose claims have arisen on the occasion of the creation, the operation or the liquidation of Compartment [•], as contemplated by the Articles.

2. (i) Series Number: [•]
(ii) [Tranche Number: [•]]

(If fungible with an existing Series, provide details of that Series, including the date on which the Notes become fungible)].

3. Specified Currency: [•]
4. Aggregate Nominal Amount of Notes: [•]
(i) [Series: [•]]
(ii) [Tranche: [•]]

5. Issue Price: [•] per cent. of the Aggregate Nominal Amount
6. (i) Authorised Denominations: [•]
(ii) Calculation Amount: [•]
7. (i) Issue Date: [•]
(ii) Interest Commencement Date: [Issue Date]/[•]/[Not Applicable]
8. Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
9. Interest Basis: [Fixed Rate]
[Floating Rate]
[Zero Coupon]
[Pass Through]
(Further particulars specified in the "Provisions Relating to Interest (if any) Payable" section below)
10. Redemption/Payment Basis: Redemption at Redemption Amount
11. Date of Board approval for issuance of Notes obtained: [The issue of the Notes has been authorised by the Board on or about [•].] *(Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes)*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12. Fixed Rate Note Provisions: [Applicable]/[Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)
- (i) Rate(s) of Interest: [•] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly]/[•] [in arrear]/[in advance]
- (ii) Interest Payment Date(s): [•]
- (iii) Fixed Coupon Amount(s): [•] per principal amount of Notes equal to the Calculation Amount
- (iv) Broken Amount(s): [•] per principal amount of Notes equal to the Calculation Amount payable on the Interest Payment Date falling [in]/[on] [•]

- (vi) Day Count Fraction: [Actual/Actual]
[Actual/365 (Fixed)]
[Actual/360]
[30/360]
[30E/360]/[Eurobond Basis]
[30E/360 (ISDA)]
- (vii) Interest Determination Dates: [As per Conditions]/[•] Business Days prior to the first day of the relevant Interest Period]
13. Floating Rate Note Provisions: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (i) Interest Period(s): [As per Conditions]/[•]
- (ii) Interest Payment Dates: [•]
- (iii) Interest Determination Date: [As per Conditions]/[•] Business Days prior to the first day of the relevant Interest Period]
- (iv) Screen Rate Determination: [Applicable]/[Not Applicable]
- Page: [Reuters][Bloomberg]/[•]
- (v) ISDA Determination: [Applicable]/[Not Applicable]
- Floating Rate Option: [•]
- Designated Maturity: [•]
- Reset Date: [•]
- (vi) Margin(s): [+]/[-]/[•] per cent. per annum
- (vii) Day Count Fraction: [Actual/Actual]
[Actual/365 (Fixed)]
[Actual/360]
[30/360]
[30E/360]/[Eurobond Basis]
[30E/360 (ISDA)]
- (viii) Specified Duration: [A period of time equal to the Interest Period]/[•]
14. Zero Coupon Note Provisions: [Applicable]/[Not Applicable]
15. Pass-Through Notes: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Number of Business Days after each Scheduled Charged Asset Interest Payment Date on which Interest Payment Dates under the Notes fall: [•]/[3 Business Days]

Scheduled Asset Payment Dates	Charged Interest	Interest Dates Notes	Payment under the
[•]		[•]	

(ii) Pass-Through Fee Amount: [Applicable][Not Applicable]

(If specified as being applicable, insert amount)

16. Maximum Interest Rate: [•]

17. Minimum Interest Rate: [•]

18. Business Day Convention: [Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]

19. Additional Business Centre(s): [•]

20. Additional Finance Centre(s): [•]

21. Default Interest: [•]/[Not Applicable]

COMPARTMENT ASSETS

22. Compartment Assets:

Banca March Charged Assets: [First Banca March Charged Asset]/[Second Banca March Charged Asset]

[The Other Banca March Charged Assets shall comprise [•] in principal amount of an issue of *[insert description of the compartment assets]* identified below:

Issue Date: [•]

ISIN: [•]

Bloomberg Ticker: [•]

Maturity: [•]

Currency: [•]

Governing Law: [•]

Rate of interest: [[•] Fixed Rate]/[•]Floating Rate/*[specify other variable rate]*

Regulated Market on which the [First Banca March Charged Asset]/[Second Banca March Charged Asset]/[Other Banca March Charged Asset] is admitted to trading: [AIAF - Mercado de Renta Fija in Spain]/[•]

Purchase of Banca March Charged Assets: The Issuer will purchase the Banca March Charged Assets on the Issue Date.

23. Grace Period (for payment default under the Banca March Charged Assets): [None]/[Any grace period specified in the Banca March Charged Assets for the relevant payment, otherwise none]/[●] [calendar days]/[Business Days] following the due date for the relevant payment]
24. Noteholder Charged Asset Voting Rights: [Applicable]/[Not Applicable]
25. Forwarding of Charged Asset Notices: [Applicable]/[Not Applicable]

PROVISIONS RELATING TO REDEMPTION

26. Redemption Amount of each Note: As per the definition of "Redemption Amount" set out at Condition 2 (*Definitions*).
27. Early Redemption following Partial Prepayment of Charged Assets: [Applicable]/[Not Applicable]
28. Redemption for taxation and other reasons: [Applicable]/[Not Applicable]
29. Redemption at Issuer's Option: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Issuer's Redemption Option Period: [●]
- (ii) Issuer's Redemption Option Date(s): [●]
30. Redemption at Noteholder's Option: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Noteholder's Redemption Option Period: [●]
- (ii) Noteholder's Redemption Option Date(s): [●]
31. Charged Assets Amortisation: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Number of Business Days after receipt of Amortisation Amount on which Instalment Dates under the Notes fall: [●]/[3 Business Days]

Scheduled Amortisation Amount	Scheduled Amortisation Date	Scheduled Instalment Date	Instalment Amount scheduled to be due on a principal amount of Notes equal to the Calculation Amount
[•]	[•]	[•]	[•]

32. Purchase option: [Applicable]/[Not Applicable]
33. Redemption by Instalments: *(Specify Instalment Amounts and Instalment Dates relating to Notes that are redeemed by instalment)*
34. Redemption of Zero Coupon Notes: [Applicable]/[Not Applicable]
- (i) Amortisation Yield: [•]
35. Priority Secured Creditor: [Noteholders]/[Insert other Secured Creditor]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

36. Form of Notes:

Bearer or Registered:

[³**Bearer Notes:**

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

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

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Registered Notes:

[Certificate other than Global Notes]

[Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg] exchangeable for Certificates in the limited circumstances specified in the Global Certificate]]

³ The exchange upon notice/at any time options should not be expressed to be applicable if the Authorised Denomination of the Notes includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000". Furthermore, such Authorised Denomination construction is not permitted in relation to any issuance of Notes which is to be represented on issue by a Permanent Bearer Global Notes exchangeable for Definitive Notes.

37. Coupons to be attached to Definitive Notes: [Yes]/[No]
38. Talons for future Coupons or Receipts to be attached to Definitive Notes: [Yes]/[No]
39. Receipts to be attached to Instalment Note which are Definitive Notes: [Yes]/[No]
40. Agents
- (i) Additional Paying Agent(s): *[Insert name and Specified Office of institution(s)]*
- (ii) Calculation Agent: *[Insert name and Specified Office of institution]*
41. Related Agreement: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Counterparty: *[Insert name of institution]*

[RESPONSIBILITY]

[[Insert relevant third party information] set out in paragraph 22 and paragraph 30 has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has not conducted extensive due diligence on such information or made any enquiries as to its own possession of non-publicly available information.]]

Signed on behalf of **MARCH INTERNATIONAL ISSUANCES S.A.**

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING:

Listing and admission to trading: Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on the Main Securities Market.

(Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.)

Estimate of total expenses related to admission to trading: [•]

2. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER:]

[Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

(If no conflicts have been disclosed, delete entire Section 2. If conflicts have been discussed, reference should be to the section of the relevant document where such conflicts were disclosed.)

3. [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES:]

(i) [Reasons for the offer: *(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks, will need to include those reasons here.)*

(ii) [Estimated net proceeds:] [•]

(iii) [Estimated total expenses:] [•]

[FIXED RATE NOTES ONLY – YIELD INDICATION OF YIELD:] [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

[FLOATING RATE NOTES ONLY – HISTORIC INTEREST RATES] Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]

4. OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

Clearing system(s) and any relevant identification number(s): [Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. Luxembourg]

[Specify name(s) and number(s) [and address(es)]]

Delivery: Delivery [against]/[free of] payment

5. **DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated: [Not applicable / give names, addresses and underwriting commitments]
- (a) Names and addresses of Dealer and underwriting commitments: [•]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Dealer.)
- (b) Date of subscription agreement: [•]
- (c) Stabilising Manager(s) (if any): [Not applicable/[•]]
- (iii) If non-syndicated, name and address of Dealer: [Not applicable/give name and address]
- (iv) Indication of the overall amount of the underwriting commission and of the placing commission: [•] per cent. of the Aggregate Nominal Amount
- (v) US Selling Restrictions Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]
- (vi) Public Offer: [Applicable]/[Not applicable] *(If not applicable, delete the remaining placeholders of this sub-paragraph (vi))*
- Public Offer Jurisdictions: *[Specify relevant Member State(s) where the Issuer intends to make the public offer (where the Base Prospectus lists the Public Offer Jurisdictions, select from that list) which must therefore be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]*
- Offer period: *[Specify date] until [specify date]*
- Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the conditions in it: *[Insert names and addresses of financial intermediaries receiving consent (specific consent)]*
- General Consent: [Applicable]/[Not applicable]
- Other Authorised Offeror Terms: [Not applicable][*Add here any other Authorised Offeror Terms*]
- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the offer of the Notes is concluded prior to 1 January 2018 or on and after that date but the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be

concluded on or after 1 January 2018 and the Notes may constitute "packaged" products, "Applicable" should be specified.)

6. **TERMS AND CONDITIONS OF THE OFFER**

Offer Price:	[Issue price] [Specify price]
Conditions to which the offer is subject:	[Not applicable]/[give details]
Description of the application process:	[Not applicable]/[give details]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable]/[give details]
Details of the minimum and/or maximum amount of application:	[Not applicable]/[give details]
Details of the method and time limits for paying up and delivering the Notes:	[Not applicable]/[•]
Manner in which and date on which results of the offer are to be made public:	[Not applicable]/[•]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable]/[•]
Whether tranche(s) have been reserved for certain countries:	[Not applicable]/[•]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable]/[•]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not applicable]/[•]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None]/[•]

SUMMARY OF THE ISSUE⁴

*This summary relates to [insert description of Notes] described in the final terms (the "**Final Terms**") to which this summary is annexed. This summary contains that information from the summary set out in the Base Prospectus which is relevant to the Notes together with the relevant information from the Final Terms. Words and expressions defined in the Final Terms and the Base Prospectus have the same meanings in this summary.*

[Insert completed summary by amending and completing the summary of the base prospectus as appropriate to the terms of the specific issue.]

⁴ A summary will only be necessary where Notes are issued with a denomination of less than EUR 100,000 or its equivalent in any other currency.

FORM OF ISSUE TERMS – ALTERNATIVE DRAWDOWN DOCUMENT

MARCH INTERNATIONAL ISSUANCES S.A.

(incorporated as a public limited liability company (*société anonyme*) under the laws of Luxembourg with its registered office at 6, rue Eugène Ruppert, L-2453, Grand Duchy of Luxembourg, registered with the trade and companies register under number B215157 and subject to the Securitisation Act)

(acting in respect of its Compartment [•]) (the "Issuer")

Issue of [AGGREGATE NOMINAL AMOUNT OF TRANCHE] [TITLE OF NOTES]

under the Secured Note Programme

The Notes issued by the Issuer will be subject to the Conditions and also to the following terms in relation to the Notes.

SERIES DETAILS

1. Issuer: March International Issuances S.A.

A separate compartment has been created by the Board in respect of the Notes ("**Compartment [•]**"). Compartment [•] is a separate part of the Company's assets and liabilities. The Compartment Assets (relating to the Notes) are exclusively available to satisfy the rights of the Noteholders (in accordance with the terms and conditions set out in these Issue Terms) and the rights of the other Secured Creditors whose claims have arisen on the occasion of the creation, the operation or the liquidation of Compartment [•], as contemplated by the Articles.
2. (i) Series Number: [•]
(ii) Tranche Number: [•]

(If fungible with an existing Series, details of that Series including the date on which the Notes become fungible).
3. Specified Currency: [•]
4. Aggregate Nominal Amount of Notes: [•]
(i) Series: [•]
(ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount
6. (i) Authorised Denominations: [•]
(ii) Calculation Amount: [•]

7. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [Issue Date]/[•]/[Not Applicable]
8. Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
9. Interest basis: [Fixed Rate] [Floating Rate]
[Zero Coupon]
[Pass Through]
(Further particulars specified in the "Provisions Relating to Interest (if any) Payable" section below)
10. Redemption/Payment Basis: [Redemption at par]
[Redemption at Redemption Amount] [Instalment]
11. Date of Board approval for issuance of Notes obtained: [The issue of the Notes has been authorised by the Board on or about [•].] *(Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes)*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12. Fixed Rate Note Provisions: [Applicable][Not Applicable]
(If Not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly]/[in arrear]/[in advance]
- (ii) [Interest Commencement Date: [•]] *(Only specify if different to the Issue Date)*
- (iii) Interest Payment Date(s): [•]
- (iv) Fixed Coupon Amount[(s)]: [•] per principal amount of Notes equal to the Calculation Amount
- (v) Broken Amount(s) Interest: [•] per principal amount of Notes equal to the Calculation Amount payable on the Payment Date falling [in]/[on] [•]
- (vii) Day Count Fraction: [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360]/[30E/360]/[Eurobond Basis] [30E/360 (ISDA)]
- (viii) Interest Determination Dates: As per Conditions]/[•] Business Days prior to the first day of the relevant Interest Period]
13. Floating Rate Note Provisions: [Applicable]/[Not Applicable]
(If not applicable, delete the remaining sub- paragraphs of this paragraph)

- (i) Interest Period(s): [As per Conditions]/[•]
- (ii) Interest Payment Dates: [•]
- (iv) Interest Determination Date: As per Conditions/[•] Business Days prior to the first day of the relevant Interest Period]
- (v) Screen Rate Determination: [Applicable]/[Not Applicable]
- Page: [Reuters][Bloomberg]/[•]
- (vi) ISDA Determination: [Applicable]/[Not Applicable]
- Floating Rate Option: [•]
 - Designated Maturity: [•]
 - Reset Date: [•]
- (vii) Margin(s): [+]/[-]/[•] per cent. per annum
- (viii) Day Count Fraction: [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360]/[30E/360]/[Eurobond Basis] [30E/360 (ISDA)]
- (ix) Specified Duration: [A time period equal to the Interest Period]/[•]
14. Zero Coupon Note Provisions: [Applicable]/[Not Applicable]
15. Pass-Through Notes: [Applicable]/[Not Applicable]
- (i) Number of Business Days after each Scheduled Charged Asset Interest Payment Date on which Interest Payment Dates under the Notes fall: [•]/[3 Business Days]

Scheduled Charged Asset Interest Payment Dates	Interest Payment Dates under the Notes
[•]	[•]

- (ii) Pass-Through Fee Amount: [Applicable][Not Applicable]

(If specified as being applicable, specify method of calculating the Pass-Through Fee Amount)

16. Maximum Interest Rate: [•]
17. Minimum Interest Rate: [•]
18. Business Day Convention: [Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]

19. Additional Business Centre(s): [•]
20. Additional Finance Centre(s): [•]
21. Default Interest: [•]/[Not Applicable]

COMPARTMENT ASSETS

22. Charged Assets:

Charged Assets: The Charged Assets shall comprise [•] in principal amount of an issue of [•] of *[insert description of the compartment assets]* identified below:

Charged Assets obligor: *[name, address, country of incorporation and nature of business of the Charged Assets obligor]*

Asset: [•]
 ISIN: [•]
 Maturity: [•]
 Currency: [•]
 Regulated market on which Charged Assets are admitted to trading: [•]
 Rate of interest: [[•] Fixed Rate]/[•]Floating Rate/*[specify other variable rate]*

23. Grace Period (for payment default under the Charged Assets): [None]/[Any grace period specified in the Charged Assets for the relevant payment, otherwise none]/[[•] [calendar days]/[Business Days] following the due date for the relevant payment]
24. Noteholder Charged Asset Voting Rights: [Applicable]/[Not Applicable]
25. Forwarding of Charged Asset Notices: [Applicable]/[Not Applicable]

SECURITY

26. Supplementary Security Documents: [Applicable]/[Not Applicable]
(If specified as applicable then details of the Supplementary Security Documents to be provided)
27. Security: *[Set out the Security taken pursuant to the Supplemental Trust Deed and/or Supplementary Security Document]*
28. Security (Priority of Payments): The Priority of Payments in respect of the Notes shall be:
 [Counterparty Priority A]
 [Pari Passu Ranking]
 [Noteholder Priority]
 [Other Priority]
[Insert alternative priority of payments if not specified in the Principal Trust Deed]

PROVISIONS RELATING TO REDEMPTION

29. Redemption Amount of each Note: per principal amount of Notes equal to the Calculation Amount/ As per the definition of "Redemption Amount" set out at Condition 2 (Definitions)]

30. Early Redemption following Partial Prepayment of Charged Assets: [Applicable]/ [Not Applicable]

31. Redemption for taxation and other reasons: [Applicable]/ [Not Applicable]

32. Redemption at Issuer's Option: [Applicable]/ [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Issuer's Redemption Option Period: [•]

(ii) Issuer's Redemption Option Date(s): [•]

33. Redemption at Noteholder's Option: [Applicable]/ [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Noteholder's Redemption Option Period: [•]

(i) Noteholder's Redemption Option Date(s): [•]

34. Charged Assets Amortisation: [Applicable]/ [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Number of Business Days after receipt of Amortisation Amount on which Instalment Dates under the Notes fall: [•]/ [3 Business Days]

Scheduled Amortisation Amount	Scheduled Amortisation Date	Scheduled Instalment Date	Instalment Amount scheduled to be due on a principal amount of Notes equal to the Calculation Amount
<input type="checkbox"/> [•]	<input type="checkbox"/> [•]	<input type="checkbox"/> [•]	<input type="checkbox"/> [•]

35. Purchase option: [Applicable]/ [Not Applicable]

36. Redemption by Instalments: *(Specify Instalment Amounts and Instalment Dates*

relating to Notes that are redeemed by instalment)

37. Redemption of Zero Coupon Notes: [Applicable]/[Not Applicable]
- (i) Amortisation Yield: [•]
38. Priority Secured Creditor: [Noteholders]/[Insert other Secured Creditor]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

39. Status: [Unsubordinated, secured and limited recourse obligations of the Issuer]/[Insert alternative description of the status of the applicable Notes]
40. Form of Notes:
- Bearer or Registered: [⁵**Bearer Notes:**
- Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Registered Notes:**
- [Certificate other than Global Notes]
- [Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg] exchangeable for Certificates in the limited circumstances specified in the Global Certificate]]
41. Coupons to be attached to Definitive Notes: [Yes]/[No]
42. Talons for future Coupons or Receipts to be attached to Definitive Notes: [Yes]/[No]
43. Receipts to be attached to Instalment Note which are Definitive Notes: [Yes]/[No]
44. Agents
- (i) Additional Paying Agent(s): [Insert name and Specified Office of institution(s)]
- (ii) Calculation Agent: [Insert name and Specified Office of institution]

⁵ The exchange upon notice/at any time options should not be expressed to be applicable if the Authorised Denomination of the Notes includes language substantially to the following effect: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000". Furthermore, such Authorised Denomination construction is not permitted in relation to any issuance of Notes which is to be represented on issue by a Permanent Bearer Global Notes exchangeable for Definitive Notes.

45. Related Agreement: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Counterparty: [Insert name of institution]
46. Other terms or special conditions: [Applicable]/[Not Applicable]
- (If specified as applicable specify the special conditions and terms or provide direction to where such special conditions and terms can be found in the Issue Terms)*
47. Clearing system(s) and any relevant identification number(s): [Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. Luxembourg]
- [Specify name(s) and number(s) [and address(es)]]
48. Delivery: Delivery [against]/[free of] payment
49. United States Selling Restriction: Reg S Category 2
50. Applicable TEFRA exemption: [TEFRA C]/[TEFRA D]/[TEFRA Not Applicable]
51. Listing and admission to trading: [The Notes will not be listed]/[Specify where the Notes are intended to be listed]
- (i) Estimate of total expenses related to admission to trading: [•] *(Only include where the Notes are being listed)*
52. ISIN: [•]
53. Common Code: [•]
54. Method of Distribution: [Syndicated]/[Non-syndicated]
- (i) Name and address of Dealer(s): [Specify name and address of the/each Dealer]
55. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
- (If the offer of the Notes is concluded prior to 1 January 2018 or on and after that date but the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products, "Applicable" should be specified.)*

USE OF PROCEEDS

The Issuer will use the net proceeds of an issue of a Series of Notes, subject to the provisions of the Securitisation Act, to purchase the Compartment Assets (identified in the relevant Issue Terms) applicable to such Series and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of any Notes.

DESCRIPTION OF THE ISSUER

General

The Company has been incorporated as a *société anonyme* (public limited liability company) under the laws of Luxembourg on 23 May 2017. The Company has been established as a securitisation undertaking within the meaning and governed by the Securitisation Act for the purpose of entering into, performing and serving as a vehicle for, any transactions permitted under the Securitisation Act, including, but not limited to, issuing asset-backed securities.

The Company is registered with the trade and companies register under number B215157. The registered office of the Company is at 6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg and its telephone number is +352 26 44 91.

Share Capital and Shareholder

The authorised share capital and the issued share capital of the Company is EUR 30,000 divided into 300 registered Shares (as defined in the Articles) of EUR 100 each.

The Company has issued 300 Shares, all of which are fully paid and are held by Banca March, S.A.

Business

So long as any of the Notes remain outstanding, the Company, acting in respect of a specific Compartment (the "**Issuer**"), will be subject to the restrictions set out in Condition 6 (*Restrictions*) for the Notes, the relevant Issue Terms and the articles of association (the "**Articles**").

The preliminary expenses of the Company, acting in its capacity as Issuer, for establishing the Programme are payable by the Arranger.

The corporate object of the Company is to act as acquisition and/or issuing entity in the context of securitisation operations governed by and under the Securitisation Act, and more specifically to enter into transactions by which it acquires or assumes, directly or indirectly or through another entity or synthetically, risks relating to receivables, other assets or liabilities of third parties or inherent to all or part of the activities carried out by third parties. The acquisition or assumption of such risks by the Company will be financed by the issuance of securities (*valeurs mobilières*) by itself or by another securitisation entity, the value or return of which depends on the risks acquired or assumed by the Company.

Without prejudice to the generality of the foregoing, the Company may in particular: (i) subscribe or acquire in any other appropriate manner any securities or financial instruments (in the widest sense of the word) issued by international institutions or organisations, sovereign states, public and private companies or undertakings; (ii) subscribe or acquire any other participations in companies, partnerships or other undertakings, which do not qualify as securities or financial instruments, **provided that** the Company will not actively intervene with the management of such undertakings in which it holds a holding, directly or indirectly; (iii) acquire loans or other receivables which may or may not be embedded in securities; (iv) in the furtherance of its object, dispose of, apply or otherwise use all of its assets, securities or other financial instruments, and provide, within the limits of article 61(3) of the Securitisation Act, for any kind of guarantees and security rights, by way of mortgage, pledge, charge or other means over the assets and rights held by the Company; (v) in the context of its operations, enter into securities lending transactions and repo, pledge or any agreements of a similar kind; (vi) enter into and perform derivatives transactions (including, but not limited to, swaps, futures, forwards and options) and any similar transactions; (vii) issue any notes, bonds, certificates, warrants, and generally securities and financial instruments howsoever described the return or value of which shall depend on the risks acquired or assumed by the Company; (viii) borrow in any form whatsoever and, in particular, enter into loan agreements as borrower within the scope of the Securitisation Act, to comply with any payment or other obligation it has under any of its securities or any agreement entered into within the context of its activities and insofar as it seems to be useful and necessary within the context of the transaction; and (ix) grant loans in any form whatsoever and within the limits of the Securitisation Act.

The Board will create one or more Compartments (representing the assets of the Company relating to the relevant Series of Notes), in each case corresponding to a separate part of the Company's estate.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate object of the Company shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing enumerated objects.

The Company may take any measure to safeguard its rights and make any transactions whatsoever which are directly or indirectly connected with or useful for its purposes and which are able to promote their accomplishment or development of its corporate object to the largest extent permitted under the Securitisation Act.

Assets and Liabilities

The Company has, and will have, no assets other than the sum of EUR 30,000 representing the issued and paid-up share capital, such fees (as agreed) per issue payable to it in connection with the issue of Notes or the purchase, sale or incurring of other obligations and any Charged Assets.

Save in respect of the fees paid to it in connection with each issue of Notes, any related profits and the proceeds of any deposits and investments made from such expenses or from amounts representing the Company's issued and paid-up share capital and share premium, the Company will not accumulate any surpluses.

Management and Supervisory Bodies

The directors of the Company are as follows:

Director	Principal outside activities	Business Address
Mr. Enrique Ruiz	Director of Product at Banca March Luxembourg Branch	Allée Scheffer 21-25, L-2520, Luxembourg
Mr. Adolfo Gutiérrez	IT Director at Banca March Luxembourg Branch	Allée Scheffer 21-25, L-2520, Luxembourg
Mr. Enrique Sáenz de Santa María	Head Treasury Department at Banca March, S.A.	Calle Núñez de Balboa, 70, 28006, Madrid, Spain
Gaëlle Attardo Kontzler	Director Capital Markets at Intertrust (Luxembourg) S.à r.l.	6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg
Tomasz Bieniek	Business Unit Manager Accounting at Intertrust (Luxembourg) S.à r.l.	6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg
Lennart Stehouwer	Senior Relationship Manager Legal & Corporate at Intertrust (Luxembourg) S.à r.l.	6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg

Enrique Ruiz is the chairperson of the Board of the Company.

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

Corporate Services Provider

Intertrust (Luxembourg) S.à r.l, a *société à responsabilité limitée* (private limited liability company) having its registered office at 6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg and registered with the trade and companies register under number B103123, acts as the corporate services provider of the Company and has a share capital of EUR 1,823,000.00 (the "**Corporate Services Provider**").

The office of the Corporate Services Provider will serve as the registered office of the Company which is located at 6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg.

Pursuant to the terms of the corporate services agreement dated 23 May 2017 and entered into between the Corporate Services Provider, the Company and Banca March, S.A., the Corporate Services Provider will perform in Luxembourg certain administrative, accounting and related services. In consideration of

the foregoing, the Corporate Services Provider will receive various fees payable to it by the Company at rates agreed upon from time to time.

The appointment of the Corporate Services Provider may be terminated by the Company or by the Corporate Services Provider at the end of any calendar month by giving three months' prior written notice.

Financial Statements

The financial year of the Company begins on the first day of January of each year and ends on the final day of December of the same year save that the first financial year started on the date of incorporation of the Company and will end on 31 December 2017.

In accordance with the Companies Act 1915, the Company is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of its shareholders.

Approved Statutory Auditors

The approved statutory auditors (*réviseurs d'entreprises agréés*) of the Company, whose appointment has been approved by a resolution of the Board dated on or about 16 June 2017, are KPMG Luxembourg whose address is 39, avenue John F. Kennedy L - 1855 Luxembourg Trade register number B149133 and who belong to the Luxembourg institute of auditors (*Instituts des réviseurs d'entreprises*).

According to the Securitisation Act, they shall inform the Board of any irregularities and inaccuracies which they detect during the performance of their duties.

Commission de Surveillance du Secteur Financier ("CSSF") authorisation

The Issuer has not been authorised by the CSSF pursuant to chapter 2 of the Luxembourg Securitisation Act and does not intend to seek such authorisation. The Issuer is therefore not allowed to issue securities to the public on a continuous basis within the meaning of the Luxembourg Securitisation Act and the Luxembourg regulatory practice.

DESCRIPTION OF BANCA MARCH, S.A.

The information set out below has been obtained from Banca March, S.A. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by Banca March, S.A. no facts have been omitted that would render the reproduced information inaccurate or misleading.

General

Banca March, S.A. ("**Banca March**") is a Spanish bank, registered with the Banco de España (number 061), and whose registered address is at Avenue Alejandro Rosselló, 8, Palma de Mallorca, Spain. Its tax identification number is A-07004021. Banca March is a family bank, is not listed, and performs both traditional banking activities and investment banking and asset management activities.

Share Capital and Shareholder

At 31 December 2016, the share capital of Banca March consists of 971,951 registered shares with a par value of €30 each, fully subscribed and paid-up. Such shares are not listed on a stock exchange and all of shares have the same rights attached.

The share capital of Banca March is owned by members of the same family. Banca March is controlled by Juan, Carlos, Gloria and Leonor March Delgado, who together own 100% of Banca March's share capital. None of the shareholders exercises individual control be it via share ownership or by any kind of agreement.

Business

The Banca March group (the "**Group**") is structured around its two main business lines: (i) banking, which is complemented by insurance and asset management activity; and (ii) investment, which focuses on investing in industrial holdings.

Banca March S.A., the parent company, has been undertaking the Group's banking activity since 1926. Its business model, which is geared towards family businesses and entrepreneurs as well as high net worth individuals, is implemented through the following different specialist units: wealth management, private banking, retail banking and corporate banking.

The Group's insurance operations are delivered through March JLT Correduría de Seguros, S.A. and March Vida, S.A. de Seguros y Reaseguros.

The Group's asset management business is carried out by March Asset Management, S.G.I.I.C., S.A., March Gestión de Pensiones, S.G.F.P., S.A. and Artá Capital S.G.E.C.R., S.A. Whereas the Group's investments in industrial holdings is undertaken by Corporación Financiera Alba, S.A.

Banca March, S.A. also owns 100% of Banco Inversis, S.A. This is a Spanish financial company which specialises in investment services related to the execution, custody and settlement of securities (including investment funds); depository and administration services for investment and pension funds; and the distribution of the main international asset management houses' products via its fund platform.

BANCA MARCH CHARGED ASSETS

The information set out below has been obtained from Banca March, S.A. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by Banca March, S.A. no facts have been omitted that would render the reproduced information inaccurate or misleading.

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued under this Base Prospectus by way of Final Terms for the purposes of Article 5.4 of the Prospectus Directive where the Charged Assets are:

1. The Charged Asset with the characteristics listed below, being the "**First Banca March Charged Asset**":

Issuer of Charged Assets:	Banca March, S.A. <i>(as described under the section of this Base Prospectus headed "Description of Banca March, S.A.")</i>
Issue Date:	26 July 2011
Maturity Date:	26 July 2019
ISIN:	ES0413040025
Bloomberg Ticker:	BANCA
Nominal Amount:	100,000,000
Currency:	EUR
Governing Law:	Spanish
Exchange	AIAF - Mercado de Renta Fija in Spain

2. The Charged Asset with the characteristics listed below, being the "**Second Banca March Charged Asset**":

Issuer of Charged Assets:	Banca March, S.A. <i>(as described under the section of this Base Prospectus headed "Description of Banca March, S.A.")</i>
Issue Date:	27 June 2014
Maturity Date:	27 June 2022
ISIN:	ES0413040058
Bloomberg Ticker:	BANCA
Nominal Amount:	200,000,000
Currency:	EUR
Governing Law:	Spanish
Exchange	AIAF - Mercado de Renta Fija in Spain

3. Such other debt issued by Banca March, S.A. which is listed or admitted to trading on a regulated market for the purpose of MiFID ("**Other Banca March Charged Assets**", which, together with the First Banca March Charged Asset and the Second Banca March Charged Asset, shall be the "**Banca March Charged Assets**").

In all other cases, the Charged Assets in respect of a Series of Notes will be as specified in the applicable Issue Terms.

TAXATION

The following is a general description of certain Luxembourg, Irish, European and United States of America tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Luxembourg Taxation

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere.

This summary is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

Prospective holders of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes on the basis of this Prospectus, including the effect of any state or local taxes, under the tax laws of Luxembourg and each country of which they are residents.

Income Taxation

The Issuer is a fully taxable company and any profit realised by the Issuer is subject to corporate income tax and municipal business tax in Luxembourg. Under Securitisation Act, all payments made by the Issuer to investors, or commitment to make such payments, should be fully tax deductible to the extent that (i) these payments are formally approved and properly documented and (ii) the conditions to benefit from the securitisation regime are met.

Withholding Tax

All payments of interest and principal by the Issuer under the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject, however, to the application as regards Luxembourg resident individuals of the amended Luxembourg law of 23 December 2005 (the "**Law**") which provides for a 20 per cent. withholding tax on savings income. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

Responsibility for the withholding of tax in application of the abovementioned Law is assumed by the Luxembourg paying agent within the meaning of this Law and not by the Issuer.

In addition, pursuant to the Law as amended, Luxembourg resident individuals can opt to self-declare and pay a 20 per cent. tax on interest payments made by paying agents located in a Member State of the European Union other than Luxembourg or a Member State of the European Economic Area.

The 20 per cent. tax as described above is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Taxes on Income and Capital Gains

Noteholders who derive income from such Notes or who realise a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains, subject to the application of the Law referred to above, and unless:

- (a) such Noteholders are, or are deemed to be, resident in Luxembourg for Luxembourg tax purposes (or for the purposes of the relevant provisions); or
- (b) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

Net Wealth Tax

A corporate Noteholder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to whom such Notes are attributable, is subject to Luxembourg wealth tax on these Notes, except if the Noteholder is governed by (i) the law of 11 May 2007 on family estate management companies, as amended, or (ii) by the law of 17 December 2010 on undertakings for collective investment, as amended, or (iii) by the law of 13 February 2007 on specialised investment funds, as amended, or is (iv) a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is (v) a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended, or is (vi) a reserved alternative investment funds, within the meaning of the law of 23 July 2016.

However, please note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof, are subject to minimum net wealth tax.

An individual Noteholder, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Inheritance and Gift Tax

Where the Notes are transferred for no consideration:

- (a) no Luxembourg inheritance tax is levied on the transfer of the Notes upon the death of a Noteholder in cases where the deceased Noteholder was not a resident of Luxembourg for inheritance tax purposes; or
- (b) Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or is registered in Luxembourg.

Value Added Tax

There is no Luxembourg value added tax payable in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of a Note. Luxembourg value added tax may, however, be payable in respect of fees invoiced for services rendered to the Issuer, if, for Luxembourg value added tax purposes, such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

Other Taxes and Duties

It is not compulsory that the Notes be filed, recorded or enrolled with any court or other authority in Luxembourg or that registration tax, transfer tax, capital tax, stamp duty or any other similar tax or duty (other than court fees and contributions for the registration with the Chamber of Commerce) be paid in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Notes. In case of voluntary registration of the Notes, the statutory fixed registration duty will be levied (as at the date of this Base Prospectus equal to EUR 12 (in words: twelve Euro)).

Residence

A Noteholder will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Note or the execution, performance, delivery and/or enforcement of that or any other Note.

Common Reporting Standard

The Organisation for Economic Co-operation and Development has developed a new global standard for the annual automatic exchange of financial information between tax authorities (the "CRS"). Luxembourg is a signatory jurisdiction to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in September 2017, as regards reportable financial information gathered in relation to fiscal year 2016. The CRS has been implemented into Luxembourg domestic law via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU. The regulation may impose obligations on the Issuer and its Noteholders, if the Issuer is actually regarded as a reporting Financial Institution under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of tax residency (through the issuance of self-certifications forms by the Noteholders), the tax identification number and CRS classification of the Noteholders in order to fulfil its own legal obligations from 1 January 2016.

Prospective investors should contact their own tax advisers regarding the application of CRS to their particular circumstances.

Irish Taxation

The following is an overview based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of investors who are the absolute beneficial owners of the Notes. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, including dealers in securities and trusts. The overview does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of payments thereon under the laws of their country of residence, citizenship or domicile.

Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes may be treated as having an Irish source if:

- (a) the Issuer is resident in Ireland for tax purposes; or
- (b) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which are used to fund the payments on the Notes; or
- (c) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that, (i) the Issuer is not and will not be resident in Ireland for tax purposes; (ii) the Issuer does not and will not have a branch or permanent establishment in Ireland; and (iii) bearer Notes will not be physically located in Ireland and the Issuer will not maintain a register of any registered Notes in Ireland.

Encashment Tax

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) on any interest, dividends or annual payments payable out of or in respect of the stocks, funds, shares or securities of a company not resident in Ireland, where such interest, dividends or annual payments are collected or realised by a bank or encashment agent in Ireland.

Encashment tax will not apply where the holder of the Notes is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

Taxation of Receipts

Notwithstanding that a Noteholder may receive payments of interest, premium or discount on the Notes free of Irish withholding tax, the Noteholder may still be liable to pay Irish income or corporation tax (and in the case of individuals, the universal social charge) on such interest, premium or discount if (i) such interest, premium or discount has an Irish source, (ii) the Noteholder is resident or (in the case of a person other than a body corporate) ordinarily resident in Ireland for tax purposes (in which case there may also be a pay related social insurance (PRSI) liability for an individual in receipt of interest, premium or discount on the Notes), or (iii) the Notes are attributed to a branch or agency of the Noteholder in Ireland. Ireland operates a self-assessment system in respect of income and corporation tax, and each person must assess their own liability to Irish tax.

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

Tax on Capital Gains

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

Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs is currently levied at 33 per cent.) if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Notes are regarded as property situate in Ireland. A foreign domiciled individual will not be regarded as being resident or ordinarily resident in Ireland at the date of the gift or inheritance unless that individual (i) has been resident in Ireland for the five consecutive tax years immediately preceding the tax year in which the gift or inheritance is taken, and (ii) is either resident or ordinarily resident in Ireland on that date.

Bearer notes are generally regarded as situated where they are physically located at any particular time. Notes in registered form are regarded as property situate in Ireland if the register of the notes is in Ireland. Notes may, however, be regarded as situated in Ireland regardless of their physical location if they secure a debt due by an Irish resident debtor and/or are secured over Irish property. Accordingly, if Irish situate Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponent or the donee/successor.

Stamp Duty on Transfer of Notes

As the Issuer is not registered in Ireland, stamp duty will not arise on a document effecting a transfer of the Notes so long as the instrument of transfer of the Notes does not relate to:

- (a) any immovable property situated in Ireland or any right over or interest in such property; or
- (b) any stocks or marketable securities (or notes) of a company which is registered in Ireland (other than a company which is (i) an investment undertaking within the meaning of section 739B of the Taxes Consolidation Act, 1997 ("TCA") or (ii) a qualifying company within the meaning of section 110 of the TCA).

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, a "**participating Member State**"). However, Estonia has since

stated that it will not participate and on 16 March 2016 it completed the formalities required to leave the enhanced co-operation on FTT.

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

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

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

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

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Grand Duchy of Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to Banca March, S.A. and any other entity appointed as Dealer pursuant to the Dealer Agreement (as defined below) (the "**Dealer**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, the Dealer are set out in a Dealer Agreement dated as of 16 June 2017 (the "**Dealer Agreement**") and made between the Issuer and the Dealer. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Issue Terms as "**Non-Syndicated**" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Issue Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Issue Terms as "**Syndicated**", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which are material to the issue of that Tranche beyond the fact of the appointment of those Dealers will be set out in the relevant Issue Terms.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America: *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Issue Terms or neither if TEFRA is specified as not applicable in the relevant Issue Terms.*

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

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

The Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Principal Paying Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Principal Paying Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, each, a "**Relevant Member State**", the Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant 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 which are the subject of the offering contemplated by the Base Prospectus as completed by the Issue Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Approved prospectus*: if the Issue Terms in relation to the Notes specify 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 which is not a Series Prospectus has subsequently been completed by the Issue Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) *Qualified Investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors, as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of 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 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 those amendments effected by Directive 2010/73/EU.

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, unless the Final Terms in respect of any Notes specify the "Prohibition of Sales to EEA Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Issue Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of article 4(1) of directive 2014/65/EU (as amended, "**MIFID II**"); or
 - (ii) a customer within the meaning of directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MIFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive; and

- (b) the expression "**offer**" includes 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 the notes.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented, warranted and agreed that:

- (a) **No deposit-taking:** in relation to any Notes having 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:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) 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 FSMA by the Issuer;

- (b) **Financial promotion:** it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

General

The Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Issue Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Issue Terms comes are required by the Issuer and the Dealer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Issue Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealer shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealer described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Issue Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

TRANSFER RESTRICTIONS

Regulation S Notes

Each purchaser of Bearer Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

- (i) it is, or at the time the Notes are purchased will be, the beneficial owner of such Notes and:
 - (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S); and
 - (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;
- (ii) it understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period (as defined in Regulation S), it will not offer, sell, pledge or otherwise transfer such Notes except:
 - (a) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or
 - (b) to the Issuer,in each case in accordance with any applicable securities laws of any State of the United States; and
- (iii) it understands that the Issuer, the Trustee, the Registrar, the Dealer and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

U.S. Risk Retention

Each purchaser of Notes, by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

- (i) it is, or at the time Notes are purchased will be, the beneficial owner of such Notes and:
 - (a) it is not a Risk Retention U.S. Person;
 - (b) is acquiring such Notes or a beneficial interest therein for its own account and not with a view to distribute such Notes;
 - (c) is not acquiring the Notes or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules; and
- (ii) it understands that the Arranger, the Issuer, the Trustee, the Paying Agents, the Registrar, the Dealer and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

GENERAL CONSENT – THE AUTHORISED OFFEROR TERMS

These terms (the "**Authorised Offeror Terms**") will be relevant, in the case of any Tranche of Notes, if (and only if) the applicable Issue Terms specify "General Consent" as "Applicable". They are the Authorised Offeror Terms which will be referred to in the "**Acceptance Statement**" to be published on the website of any financial intermediary which (a) is authorised to make such offers under MiFID and (b) accepts such offer by publishing an Acceptance Statement on its website.

1. General

The relevant financial intermediary:

- (a) **Applicable Rules:** acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;
- (b) **Subscription and sale:** complies with the restrictions set out under "*Subscription and Sale*" and "*Transfer Restrictions*" in this Base Prospectus which would apply as if it were a relevant Dealer and with any further relevant requirements as may be specified in the applicable Issue Terms;
- (c) **Fees, commissions and benefits:** ensures that any fee, commission, benefit of any kind, rebate received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and is fully and clearly disclosed to Investors or potential Investors;
- (d) **Licences, consents, approvals and permissions:** holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
- (e) **Violation of Rules:** it will immediately inform the Issuer and any relevant Dealer if at any relevant time it becomes aware or suspects that it is or may be in violation of any Rules;
- (f) **Anti-money laundering, bribery and corruption:** complies with, and takes appropriate steps in relation to, applicable anti-money laundering, anti-bribery, prevention of corruption and "know your client" Rules, and does not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the purchase monies;
- (g) **Record-keeping:** retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the Issuer and the relevant Dealer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer in order to enable the Issuer and/or the relevant Dealer to comply with anti-money laundering, anti-bribery and "know your client" Rules applying to the Issuer and/or the relevant Dealer;
- (h) **Breach of Rules:** does not, directly or indirectly, cause the Issuer or the relevant Dealer to breach any Rule or subject the Issuer or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (i) **Publicity names:** does not use the legal or publicity names of the Issuer or the relevant Dealer(s) or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Notes;
- (j) **Information:** does not give any information other than that contained in this Prospectus (as may be amended or supplemented by the Issuer from time to time) or make any representation in connection with the offering or sale of, or the solicitation of an interest in, the Notes;

- (k) **Communications:** agrees that any communication in which it attaches or otherwise includes any announcement published by the Issuer via Company Announcement Office of the Irish Stock Exchange at the end of the Offer Period will be consistent with the Base Prospectus, and (in any case) must be fair, clear and not misleading and in compliance with the Rules and must state that such Authorised Offeror has provided it independently from the Issuer and must expressly confirm that the Issuer has not accepted any responsibility for the content of any such communication;
- (l) **Legal or publicity names:** does not use the legal or publicity names of the relevant Dealer, the Issuer or any other name, brand or logo registered by any entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Notes; and
- (m) **Any other conditions:** agrees to any other conditions set out in the relevant Issue Terms.

2. **Indemnity**

The relevant financial intermediary agrees that if the Issuer incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) (a "**Loss**") arising out of, in connection with or based on any inaccuracy of any of the foregoing representations and warranties or any breach of any of the foregoing undertakings, then the relevant financial intermediary shall pay to the Issuer on demand an amount equal to such Loss.

3. **Governing Law and Jurisdiction**

The relevant financial intermediary agrees that:

- (a) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the offer of the Issuer to use this Base Prospectus with their consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;
- (b) the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly the relevant financial intermediary submits to the exclusive jurisdiction of the English courts;
- (c) each relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit but, subject to this, a person who is not a party to the Authorised Offeror Contract has no right to enforce any term of the Authorised Offeror Contract; and
- (d) the parties to the Authorised Offeror Contract do not require the consent of any person not a party to the Authorised Offeror Contract to rescind or vary the Authorised Offeror Contract at any time.

GENERAL INFORMATION

Authorisation

1. The establishment of the Programme was authorised by a resolution of the board of directors of the Issuer passed on or about 16 June 2017. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Legal and Arbitration Proceedings

2. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer.

Significant/Material Change

3. There has been no material adverse change in the prospects of the Issuer or any significant change in the financial or trading position of the Issuer since 23 May 2017, being its date of incorporation.

Auditors

4. The Issuer is a newly incorporated entity and as of the date hereof no financial statements have been prepared by the Issuer. Accordingly, no such financial statements will be incorporated into this Base Prospectus. However, the Issuer will produce audited consolidated financial statements in respect of the period commencing on the date of its incorporation and ending on 31 December 2017 ("**Financial Period End Date**") and for each period on the anniversary of such Financial Period End Date thereafter.

Listing Agent

5. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange plc for the purposes of the Prospectus Directive.

Documents on Display

6. Physical copies of the following documents may be inspected during normal business hours at the offices of the Issuer at 6, rue Eugène Ruppert, L - 2453 Luxembourg, Grand Duchy of Luxembourg for 12 months from the date of this Base Prospectus:
 - (a) the constitutive documents of the Issuer;
 - (b) the Principal Trust Deed (which contains the forms of Notes in global and definitive form) and Supplemental Trust Deed for each Series of Notes;
 - (c) the Agency Agreement;
 - (d) the Dealer Agreement; and
 - (e) the Custody Agreement.

Material Contracts

7. The Issuer has not entered into contracts outside the ordinary course of its business, which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.

Clearing of the Notes

8. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and/or the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Issue Terms. The relevant Issue Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Passporting

9. The Issuer may, after the date of this Base Prospectus, make applications for one or more further certificates of approval under Article 18 of the Prospectus Directive as implemented in Ireland to be issued by the Central Bank of Ireland to the competent authority in any Member State.

Home Member State

10. No Notes may be issued under the Programme which (a) have a minimum denomination of less than EUR1,000 (or nearly equivalent in another currency), or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity to whose group the Issuer belongs. Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Issue Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Notes Having a Maturity of Less Than One Year

11. Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

Issue Price and Yield

12. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Issue Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Issue Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

Language in the Base Prospectus

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

Post-Issuance Information

14. Save as set out in the applicable Final Terms or Alternative Drawdown Document, the Issuer will not provide any post-issuance information in relation to the Charged Assets. In such an event, investors will not be entitled to obtain such information from the Issuer.

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