

**SERIES PROSPECTUS**

**NOVUS CAPITAL PLC**

*(incorporated with limited liability in Ireland with registered number 470980)*

**SERIES 2012-29 EUR 5,000,000 Credit Linked Notes due June 2013**

**Issued pursuant to the**

**"Novus" Structured Issuance Programme**

**arranged by**

**NOMURA INTERNATIONAL PLC**

The date of this Series Prospectus is 19 June 2012.

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This Series Prospectus applicable to the issue by Novus Capital plc (the "**Issuer**") of its Series 2012-29 EUR 5,000,000 Credit Linked Notes due June 2013 (the "**Notes**") should be read in conjunction with the Base Prospectus dated 12 August 2011 (the "**Base Prospectus**") relating to the "Novus" Structured Issuance Programme and the issuance by the Issuer of notes thereunder (the "**Programme**"), which is deemed to be incorporated herein by reference (see "*Incorporation by Reference*" below).

The Notes have been issued and constituted and secured pursuant to an Issue Deed dated 11 May 2012 between, amongst others, the Issuer and the Trustee.

Terms defined in the Base Prospectus have the same meaning in this Series Prospectus. This Series Prospectus (which incorporates by reference the Base Prospectus) constitutes a prospectus for the purposes of Article 5 of Directive 2003/71/EC (the "**Prospectus Directive**"). This Series Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference.

The obligations of the Issuer under the Notes will be secured as described under "*Charged Assets*" in the Additional Conditions.

The Issuer accepts responsibility for the information contained in this Series Prospectus. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The delivery of this Series Prospectus at any time does not imply that any information contained herein is correct at any time subsequent to the date hereof. So far as the Issuer is aware and is able to ascertain from information published in relation to the Collateral Assets and the issuer thereof no facts have been omitted which would render the information inaccurate or misleading. The information in relation to such Collateral Assets issuer has been accurately reproduced or summarised from information available on Bloomberg or the exchange on which such Collateral Assets issuer has listed some or all of its securities.

This Series Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Directive 2003/71/EC. The Central Bank only approves this Series Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC.

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that such application will be successful or that the Notes will be listed on the Issue Date.

Neither the Arranger nor the Permanent Dealer makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied in connection with the Notes and accepts no responsibility or liability therefor.

On 11 May 2012 the Notes were issued on the terms set out in this Series Prospectus read together with the Base Prospectus.

This Series Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Series Prospectus or any other offering material in any jurisdiction where such action is required.

In this Series Prospectus, references to "**euro**", "**EUR**" and "**€**" refer to the currency introduced from the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union.

## INCORPORATION BY REFERENCE

This Series Prospectus should be read and construed in conjunction with the Base Prospectus which has been previously published and approved by the Central Bank of Ireland as the competent authority under the Prospectus Directive and shall be deemed to be incorporated in, and form part of, this Series Prospectus, save that any statement contained in the Base Prospectus which is incorporated by reference in, and forms part of, this Series Prospectus shall be deemed to be modified or superseded for the purpose of this Series Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Series Prospectus. This Series Prospectus must be read in conjunction with the Base Prospectus and full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the provisions set out within this document and the Base Prospectus.

The Base Prospectus has been prepared on the basis that, except as provided in subparagraph (b) under the heading "**Exempt Offers**" in the Base Prospectus, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for 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, in each case, in relation to such offer.

Neither the Issuer nor the Permanent Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

## **ADDITIONAL RISK FACTORS**

*In addition to this section, each prospective investor in the Notes should refer to "Section 2: Risk Factors" in the Base Prospectus for risk factors which may reduce the return on the Notes and which could result in the loss of all or a portion of an investor's investment in the Notes.*

### **Volatility of Collateral Assets**

The market value of the Collateral Assets, and hence the market value of the Notes, may be volatile. The issuer of the Collateral Assets is a specialised credit institution owned by the Spanish Government, and offers financing for enterprises in Spain and small enterprises in third world countries. See "Euro and Eurozone risk" below. A fall in the value of the Collateral Assets may result in a Valuation Trigger Event which is a Mandatory Redemption Event and the early redemption of the Notes at an amount less than the issue price and such amount may be zero.

### **Volatility of Interest Rates**

The volatility of interest rates may affect the market value of the Notes and in some circumstances may directly affect the amount payable on maturity or early redemption of the Notes.

### **Return**

The value of these Notes and any income that may be paid from them can go down as well as up and, as such, at any point in time prior to and including the Maturity Date, the market value of the Notes may be substantially less than the amount initially invested. The return on an investment in the Notes could be very low or zero. The value of the Notes may be affected by a wide variety of investment risks, which include, but are not limited to, the following: interest rates, exchange rates, inflation, yield, correlation, volatility, creditworthiness of the Issuer, the obligor of the Collateral Assets, the Counterparty and the Reference Entity or any relevant guarantor, liquidity, embedded leverage, market sentiment, path dependency and general economic factors.

### **Creditworthiness of the Issuer, the Collateral Assets and the Counterparty**

The Noteholder has recourse only to underlying securities forming collateral and any related swap transactions entered into by the Issuer of the Notes (together the "**Available Assets**"). The net proceeds (if any) of any realisation of the Available Assets may be insufficient to pay amounts due to the holders of the Notes and the holders of the coupons relating thereto. In such event, the Issuer will not be obliged to pay, and the other assets of the Issuer will not be available for payment of, any such shortfall. None of the Arranger, Paying Agent, Trustee or the shareholders of the Issuer shall have any obligation to any of the holders of the Notes and the coupons relating thereto.

Following satisfaction of the Conditions to Settlement under the Credit Derivative Transaction, the Collateral Assets will be delivered to the Counterparty on the Cash Settlement Date (which may occur prior to the Maturity Date) and the Notes will cease to be secured by the Collateral Assets and will instead be exposed to the credit risk of the Counterparty for payment of the redemption amount on the Cash Settlement Date.

### **Risk on the Reference Entity**

The Notes are secured obligations of the Issuer. However, payment of principal and interest is linked to, *inter alia*, the performance of the underlying Reference Entity. Subject to the occurrence of a Credit Event in relation to any Obligations of the underlying Reference Entity, redemption amounts and interest amounts payable on the Notes may be reduced and in some instances may be reduced to zero.

The Reference Obligation is a subordinated obligation of the Reference Entity which may be less liquid and worth less than senior obligations of the Reference Entity, thus resulting in a lower recovery value and hence greater losses for the Noteholders.

### **Market and Leverage Risk**

The value of the Notes can be substantially affected by the variation of credit spreads, even in the absence of default of the Reference Entity.

### **Early Redemption**

Following the occurrence of a Mandatory Redemption Event, the Notes may be redeemed prior to the Scheduled Maturity Date at an amount less than the issue price and such amount may be zero.

### **Credit Support Annex**

The securities comprising the Eligible Credit Support shall be subject to haircuts as set out in the CSA.

If the Issuer is unable to deliver Eligible Credit Support pursuant to the CSA, an event of default under the Derivative Agreement may occur. This may result in an Event of Default in relation to the Notes.

### **Interest rates**

The absolute level of interest rates may affect both the interest amount payable and the market value of the Notes.

### **Euro and Eurozone risk**

Market perceptions concerning the instability of the euro, the potential re-introduction of individual currencies within the Eurozone, or the potential dissolution of the euro entirely, could adversely affect the value of the Notes.

As a result of the credit crisis in Europe, in particular in Greece, Italy, Ireland, Portugal and Spain, the European Commission created the European Financial Stability Facility (the "**EFSF**") and the European Financial Stability Mechanism (the "**EFSM**") to provide funding to Eurozone countries in financial difficulties that seek such support. In March 2011, the European Council agreed on the need for Eurozone countries to establish a permanent stability mechanism, the European Stability Mechanism (the "**ESM**"), which will be activated by mutual agreement, to assume the role of the EFSF and the EFSM in providing external financial assistance to Eurozone countries after June 2013.

Despite these measures, concerns persist regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro as a single currency given the diverse economic and political circumstances in individual Member States. These and other concerns could lead to the re-introduction of individual currencies in one or more Member States, or, in more extreme circumstances, the possible dissolution of the euro entirely. Should the euro dissolve entirely, the legal and contractual consequences for holders of Euro denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes.

### **Liquidity**

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market (as defined in MiFID). However, there is currently no market for trading the Notes and there can be no assurance that such a market would develop. Therefore, it may not be possible for an investor to sell the Notes. As such, an investment in the Notes is only suitable for those investors that have no need for liquidity during the term of the Notes.

### **Conflict of Interest**

During the course of its normal business, Nomura International plc and any of its affiliates or subsidiaries or their respective directors, officers, employees, representatives, delegates or agents (each a "**Relevant Person**") may enter into or promote, offer or sell transactions or investments (structured or otherwise) linked to the Notes or the relevant underlying asset or variable(s) that could affect the value of the Notes (either negatively

or positively). The Issuer and any of its affiliates may establish, maintain, adjust or unwind its hedge positions with respect to the Notes with Nomura International plc or any of its affiliates.

### **Market disruption**

Market disruption affects the value of the Notes and/or delay settlement, redemption or payments.

### **Suitability**

Investors in the Notes are responsible for their own independent analysis and they should ensure that they understand and can afford all the risks (including but not limited to the market risk, credit risk and liquidity risk) associated with the Notes before making a decision to invest in the Notes. Investors should carefully consider whether the Notes are suitable for them in the light of their experience, objectives, financial position and other relevant circumstances. Investors should consult with their own counsel, accountants and other advisers in connection with their decision to purchase the Notes. In structuring and selling the Notes, Nomura International plc is not acting in any fiduciary or advisory capacity.

### **Reinvestment risk**

If the Notes are redeemed prior to their scheduled Maturity Date, investors in the Notes may not be able to reinvest the redemption proceeds from the Notes at an equivalent rate to that earned or expected to be earned on the Notes.

### **New U.S. Tax Law**

The U.S. has recently enacted new tax legislation, the Foreign Account Tax Compliance Act ("**FATCA**"). There can be no assurance that a payment on a Note will not be subject to a 30 per cent. withholding tax under FATCA. Accordingly, non-U.S. Holders should consult their own tax advisors as to the potential implication of the U.S. withholding taxes on the Notes before investing.

## PART A – ADDITIONAL CONDITIONS

Terms used but not defined herein shall be deemed to have the meaning given thereto in the Conditions set forth in the Base Prospectus dated 12 August 2011 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC). This document constitutes the Additional Conditions of the Notes described herein 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 Additional Conditions, the Series Prospectus and the Base Prospectus. The Base Prospectus is available for viewing on the website of the Central Bank ([www.centralbank.ie](http://www.centralbank.ie)) or during normal business hours at 11/12 Warrington Place, Dublin, Ireland.

The Issue Price specified below may be more than the market value of the Notes as at the Issue Date, and the price, if any, at which Nomura International plc or any other person is willing to purchase the Notes in secondary market transactions is likely to be lower than the Issue Price. In particular, the Issue Price may take into account amounts with respect to commissions relating to the issue and sale of the Notes as well as amounts relating to the hedging of the Issuer's obligations under the Notes, and secondary market prices are likely to exclude such amounts. In addition, whilst the proprietary pricing models of Nomura International plc are based on well recognised financial principles, other market participants' pricing models may differ or produce a different result.

If any commissions or fees relating to the issue and sale of these Notes have been paid or are payable by the Permanent Dealer to an intermediary, then such intermediary may be obliged fully to disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (2004/39/EC) ("**MIFID**"), or as otherwise may apply in any non-EEA jurisdictions. Potential investors in these Notes intending to purchase Notes through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof.

<b>1</b>	<b>Issuer:</b>	Novus Capital plc
<b>2</b>	<b>Series Number:</b>	2012-29
<b>3</b>	<b>Currency:</b>	EUR
<b>4</b>	<b>Principal Amount of Series:</b>	EUR 5,000,000
<b>5</b>	<b>Issue Price:</b>	100 per cent. of the Principal Amount as at the Issue Date
<b>6</b>	<b>Minimum Denominations/Specified Denominations:</b>	EUR 100,000
<b>7</b>	<b>Integral Multiple:</b>	Not Applicable
<b>8</b>	(i) Issue Date:	11 May 2012
	(ii) Interest Commencement Date:	Issue Date
<b>9</b>	<b>Maturity Date:</b>	20 June 2013, subject to adjustment in accordance with the Business Day Convention (the " <b>Scheduled Maturity Date</b> ") or if an Extension Notice is delivered, the Extended Maturity Date, subject to:  (a) redemption on the Collateral Assets Repayment Date if a Potential Collateral



		Assets Default occurs; or
		(b) satisfaction of the Conditions to Settlement under the Credit Derivative Transaction.
<b>10</b>	<b>Business Day:</b>	London and TARGET2
<b>11</b>	<b>Business Day Convention:</b>	Following
<b>12</b>	<b>Interest Basis:</b>	From and including the Interest Commencement Date to but excluding the Scheduled Maturity Date, Fixed Rate.
<b>13</b>	<b>Redemption Basis:</b>	As described in paragraph 22 below
<b>14</b>	<b>Change of Interest or Redemption Basis:</b>	Not Applicable
<b>15</b>	<b>Investor Put/Issuer Purchase Options:</b>	Not Applicable
<b>16</b>	<b>Date on which Board approval for issuance of Notes obtained:</b>	10 May 2012

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

<b>17</b>	<b>Fixed Rate Obligations:</b>	Applicable
	(i) Interest Rate:	4.00 per cent. per annum
	(ii) Interest Payment Dates:	20 June 2012 and the Scheduled Maturity Date, subject to adjustment in accordance with the Business Day Convention, provided that the final Interest Payment Date shall be the Interest Payment Date immediately preceding the earlier of the Event Determination Date and the Early Redemption Event Date and no interest shall accrue if either such date occurs before the first Interest Payment Date.
	(iii) Interest Amount:	As per the Conditions
	(iv) Day Count Fraction:	30/360 (unadjusted). For the avoidance of doubt, the definition of "Interest Period" shall be deemed to be amended accordingly.
	(v) Determination Date:	Not Applicable
	(vi) Other terms relating to the method of calculating interest for Fixed Rate obligations.	No interest shall accrue on the Notes from and including the Scheduled Maturity Date.  The final Interest Period shall end on (but exclude) the Interest Payment Date immediately preceding the earlier of the Event Determination Date and the Early Redemption Event Date.
<b>18</b>	<b>Floating Rate Obligations:</b>	Not Applicable
<b>19</b>	<b>Zero Coupon Notes</b>	Not Applicable
<b>20</b>	<b>Indexed Obligations</b>	Not Applicable

<b>21</b>	<b>Structured Rate Obligations</b>	Not Applicable
<b>22</b>	<b>Redemption Amount:</b>	<p>In respect of each Note:</p> <p>(a) if the Conditions to Settlement under the Credit Derivative Transaction are not satisfied, its pro rata proportion of an amount in EUR equal to the Principal Amount of the Series which shall be payable on the Maturity Date; or</p> <p>(b) if the Conditions to Settlement under the Credit Derivative Transaction are satisfied, its pro rata proportion of an amount in EUR equal to the Note Cash Settlement Amount which shall be payable on the Cash Settlement Date (as defined in the Derivative Agreement).</p> <p>For these purposes:</p> <p><b>"Note Cash Settlement Amount"</b> means an amount determined by the Calculation Agent, in accordance with the following formula:</p> <p>(Principal Amount of the Series * Final Price) less Unwind Amount,</p> <p>provided that the Note Cash Settlement Amount shall not be less than zero.</p> <p><b>"Final Price"</b> has the meaning given to it in the Derivative Agreement.</p>
<b>23</b>	<b>Instalment Obligations:</b>	Not Applicable
<b>24</b>	<b>Early Redemption Amount:</b>	
	(i) Early Redemption Amount:	<p>In respect of each Note, an amount as determined by the Calculation Agent in its sole and absolute discretion equal to such Note's pro rata proportion of the greater of (a) zero and (b) the Bond Value on such date less the Unwind Amount.</p> <p><b>"Bond Value"</b> means the bid value of the Collateral Assets.</p> <p><b>"Unwind Amount"</b> means an amount, as determined by the Calculation Agent in its sole and absolute discretion, in cash equal to an amount as determined by the Calculation Agent equal to the sum of (without duplication) all costs (including funding costs on the settlement of any hedge position from the Early Redemption Date or Event Determination Date, as applicable to the Scheduled Maturity Date), expenses (including loss of funding), tax and duties incurred or (in the sole discretion of the Calculation Agent) likely to be incurred by the Issuer or the Counterparty (as applicable) in connection with such early</p>

redemption or Credit Event, and/or the related termination, settlement or re-establishment of any hedge and/or financing agreements and/or related trading position, including but not limited to:

- (i) the aggregate of any costs and expenses incurred (or in the sole discretion of the Calculation Agent likely to be incurred) in connection with the realisation of any Collateral Assets;
- (ii) the termination amount under the Cash Flow Swap Transaction (where a negative amount represents an amount owing to the Issuer by the Counterparty and a positive amount represents an amount owing to Counterparty by the Issuer); and
- (iii) the mark to market of the Credit Derivative Transaction that the Counterparty would be prepared to pay or receive, as the case may be, to unwind the Credit Derivative Transaction in connection with the Notes.

(ii) Physical Settlement: Not Applicable

**25 Redemption for taxation reasons permitted on days other than Interest Payment Dates:** Yes

**26 Issuer Purchase Option:** Not Applicable

**27 Investor Put Option:** Not Applicable

**28 Premium Amount:** Not Applicable

**29 Charged Assets:**

(i) Collateral Assets: The Issuer's right, title and interest in and to EUR 5,000,000 in principal amount of the following:

Issuer: Instituto de Crédito Oficial

ISIN: XS0633097299

Currency: EUR

Maturity: 16 May 2013

Coupon: 3.875%

Original issue amount: EUR 2,600,000,000

(ii) Derivative Agreement (if applicable): A 2002 ISDA Master Agreement and Schedule thereto (in the form set out in the Derivatives Master Terms dated 3 August 2011 signed for the purposes of identification by the Counterparty and the Trustee) between the Issuer and the Counterparty dated as of the Issue Date and

an ISDA Credit Support Annex (English Law transfer) in the form set out in Part E (Paragraph 11 of the Credit Support Annex) (the "**CSA**") as supplemented by a confirmation in the form set out in Part D (Form of Swap Confirmation) hereto (the "**Confirmation**") confirming the terms of a cash flow swap transaction (the "**Cash Flow Swap Transaction**") and a credit derivative transaction (the "**Credit Derivative Transaction**"). A summary of the Cash Flow Swap Transaction and Credit Derivative Transaction is set out in Part F (Summary of Collateral Assets, Cash Flow Swap Transaction and Credit Derivative Transaction).

	Counterparty:	Nomura International plc of 1 Angel Lane, London, United Kingdom, EC4R 3AB
(iii)	Repurchase Agreement (if applicable):	Not Applicable
(iv)	Deposit Agreement (if applicable):	Not Applicable
(v)	Securities Lending Agreement (if applicable):	Not Applicable
(vi)	Priority of Payments:	The Trustee shall apply all moneys received by it under the trust constituted by the Trust Terms and the Issue Deed in connection with the realisation or enforcement of the security constituted by or pursuant to the trust constituted by the Trust Terms and the Issue Deed in accordance with:  Modified Counterparty Priority
<b>30</b>	<b>Form of Obligations:</b>	Bearer Notes
<b>31</b>	<b>New Global Note:</b>	No
<b>32</b>	<b>Clearing System (if applicable):</b>	Euroclear/Clearstream, Luxembourg
<b>33</b>	<b>Exchange:</b>	
(i)	Obligations to be represented on issue by:	Temporary Global Note
(ii)	Applicable TEFRA exemption:	D Rules
(iii)	Temporary Global Note exchangeable for Permanent Global/Definitive Bearer/Registered Notes:	Yes, exchangeable for Permanent Global Note
(iv)	Permanent Global Note exchangeable for Definitive Bearer/ Registered Notes:	Permanent Global Note exchangeable into Definitive Bearer Notes in certain limited circumstances as specified in the Permanent Global Note

- |           |  |                                 |
|-----------|--|---------------------------------|
| <b>34</b> | <b>Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):</b> | No                              |
| <b>35</b> | <b>Unmatured Coupons to become void upon early redemption:</b>   | Yes                             |
| <b>36</b> | <b>Details of any other additions or variations to the Conditions:</b>                                       | See Part C (Further Provisions) |

**DISTRIBUTION**

- |           |  |  |
|-----------|--|--|
| <b>37</b> | <b>Syndicate Issue:</b>  | Not Applicable   |
| <b>38</b> | <b>Non-syndicated Issue name and address of Dealer:</b>                    | Nomura International plc<br>1 Angel Lane<br>London<br>United Kingdom<br>EC4R 3AB   |
| <b>39</b> | <b>Dealers' commission (if applicable):</b>                                | None   |
| <b>40</b> | <b>Details of any additions or variations to the Programme Agreement:</b>  | None   |
| <b>41</b> | <b>Non-exempt Offer:</b>   | Not Applicable   |
| <b>42</b> | <b>Details of any additions or variations to the selling restrictions:</b> | None   |
| <b>43</b> | <b>Principal Paying Agent:</b>   | Citibank, N.A., London Branch<br>Citigroup Centre<br>Canada Square<br>Canary Wharf<br>London<br>E14 5LB                            |
| <b>44</b> | <b>Calculation Agent:</b>  | Nomura International plc<br>1 Angel Lane<br>London<br>United Kingdom<br>EC4R 3AB   |
| <b>45</b> | <b>Acquisition and Disposal Agent:</b>                                     | Nomura International plc<br>1 Angel Lane<br>London<br>United Kingdom<br>EC4R 3AB   |
| <b>46</b> | <b>Registrar:</b>  | Not Applicable   |
| <b>47</b> | <b>Transfer Agents:</b>  | Not Applicable   |
| <b>48</b> | <b>Paying Agents:</b>  | Principal Paying Agent:<br>Citibank, N.A., London Branch<br>Citigroup Centre<br>Canada Square<br>Canary Wharf<br>London<br>E14 5LB |

**49 Custodian:**

Citibank, N.A., London Branch  
Citigroup Centre  
Canada Square  
Canary Wharf  
London  
E14 5LB

## PART B - OTHER INFORMATION

### 1. Admission to Listing and Trading

- (i) Admission to listing and trading: Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that such application will be successful or that the Notes will be listed on the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: Approximately EUR 2,600

### 2. Ratings

Rating Agency: The Notes to be issued have not been and will not be rated.

### 3. Interests of Natural and Legal Persons Involved in the Issue/Offer

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

### 4. Use of Proceeds

The net proceeds of the issue will amount to EUR 5,000,000 and will be used by the Issuer to purchase the assets which are to form the Charged Assets and in making the initial payment due by the Issuer under the Derivative Agreement.

### 5. Operational Information

ISIN Code: XS0777081034

Common Code: 077708103

CUSIP Number: Not Applicable

Any clearing system(s) other than Euroclear Bank S.A./N.V. Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): See paragraph 43 of Part A

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: No

### 6. General

The aggregate principal amount of Notes issued has been translated into EUR at the rate of EUR[●]/[●][●], producing a Not Applicable

sum of (for Notes not denominated in EUR):

7. **Supplementary Information**

The Issuer will agree to comply with any undertakings given by it from time to time to the Irish Stock Exchange in connection with the Notes. Without prejudice to the generality of the foregoing, the Issuer will, so long as any of its Notes remain outstanding and listed on the Official List and admitted to trading on the regulated market, in the event of any material adverse change in the financial condition of the Issuer which is not reflected in the Base Prospectus, prepare a supplement to the Base Prospectus or publish a new base prospectus as may be required by the guidelines of the Prospectus Directive for use in connection with any subsequent issue of Notes to be listed on the Official List and admitted to trading on the regulated market. If the terms of the Programme are modified or amended in a manner which would make the Base Prospectus, as so modified or amended, inaccurate or misleading, a new base prospectus will be prepared.

8. **Restrictions on Transfers**

Subject to applicable securities laws, there are no restrictions on the free transferability of the Notes other than those described in paragraph 2.1 of Section 7 (*Provisions Relating to Notes while in Global Form*) of the Base Prospectus and Section 12 (*Subscription and Sale*) of the Base Prospectus.

9. **Collateral Assets and the Derivative Agreement**

The Collateral Assets and the Derivative Agreement collectively have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.

10. **Post-issuance Information**

The Issuer does not intend to provide post-issuance information.

11. **Language of Series Prospectus**

The language of this Series Prospectus is English.

12. **Legal Proceedings**

The Issuer is not and has not been since the date of its incorporation involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have had in the recent past significant effects on the Issuer's financial position or profitability.

13. **Website Addresses**

None of the website addresses contained in this Series Prospectus form part of the Series Prospectus.

14. **Financial Statements**

The financial statements of the Issuer for the period ending 31 December 2010 were filed with the Irish Stock Exchange and are hereby incorporated by reference. There has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation.

15. **Auditor of the Issuer**

The Issuer has appointed Deloitte & Touche of Earlsfort Terrace, Dublin 2, Ireland as its auditor.



## PART C - FURTHER PROVISIONS

### 1. ADDITIONAL DEFINITIONS

"**Bond Value**" means the bid value of the Collateral Assets (expressed as an amount in EUR), as determined by the Calculation Agent in a commercially reasonable manner.

"**Collateral Assets Repayment Date**" means, following the occurrence of a Potential Collateral Assets Default, the date on which such Potential Collateral Assets Default is cured, provided that such date shall not be later than the date which falls the number of days after the Scheduled Maturity Date which is equal to the number of days remaining in any grace period applicable to the Collateral Assets pursuant to their terms plus one Business Day.

"**Conditions to Settlement**" has the meaning given to it in the Derivative Agreement.

"**Early Redemption Event Date**" means the date of occurrence of the Mandatory Redemption Event, Event of Default or other event resulting in the early redemption of the Notes, as determined by the Calculation Agent.

"**Early Redemption Date**" means the date for early redemption of the Notes designated as such by the Issuer or Principal Paying Agent, as the case may be, following a Mandatory Redemption Event or the relevant date for any other early redemption of the Notes.

"**Event Determination Date**" has the meaning given to it in the Derivative Agreement.

"**Exposure**" has the meaning given to it in the CSA.

"**Extension Notice**" means a notice delivered by the Counterparty to the Issuer at any time up to and including the Scheduled Maturity Date, specifying an Extended Maturity Date.

"**Extended Maturity Date**" means the date specified as such in the Extension Notice, which may be any date falling after the Scheduled Maturity Date and on or prior to the fifteenth calendar day after the Scheduled Maturity Date or, if such day is not a Business Day, the next following Business Day.

"**Potential Collateral Assets Default**" means the occurrence of any event before the Scheduled Maturity Date which may be capable of being declared as an event of default (howsoever described) in respect of the Collateral Assets on or after the Scheduled Maturity Date pursuant to the terms and conditions of the Collateral Assets.

A "**Valuation Trigger Event**" shall occur if any of the following events has occurred on any day:

- (a) the Bond Value is less than 50 per cent. of the Principal Amount of the Notes (such event, a "**Collateral Trigger**"); or
- (b) the sum of the Bond Value less an amount equal to the Counterparty's "Exposure" determined in relation to the Cash Flow Swap Transaction and the Credit Derivative Transaction (as most recently determined by the Valuation Agent under the terms of the CSA) (the "**MTM Amount**") is less than 40 per cent. of the Principal Amount of the Notes (such event, a "**MTM Trigger**").

2. **CONDITION 5.1**

Paragraph (a) of Condition 5.1 (*Mandatory Redemption Events*) shall be deleted in its entirety and replaced with the following:

"(a) If there occurs:

- (i) a payment default in respect of any of the Collateral Assets (subject to any grace period thereunder);
- (ii) any of the Collateral Assets become due and payable prior to their stated maturity for any other reason (including, but not limited to, exercise of redemption rights by the Issuer of such Collateral Assets or a tax event);
- (iii) a default, event of default or other similar condition or event in respect of the Collateral Assets or the issuer thereof;
- (iv) the Issuer becomes liable to tax in respect of the Collateral Assets;
- (v) any transaction or series of transactions entered into pursuant to any Charged Agreement is terminated prior to its scheduled termination date unless such transaction or series of transactions has been or is simultaneously replaced on terms and with a Counterparty which are approved in writing by the Note Trustee (at the direction of the holders of the Series or, if applicable, the most senior Class thereof, acting by Extraordinary Resolution) and the Security Trustee (acting on the direction of the Controlling Secured Creditor); or
- (vi) a Valuation Trigger Event occurs,

the Issuer will notify (or procure the notification of) the holders of the Series, the Note Trustee and each Agent accordingly (each event in paragraphs (i) to (vi) above a "**Mandatory Redemption Event**", provided that in respect of paragraphs (i) to (iii) above, if the Conditions to Settlement under the Credit Derivative Transaction are satisfied, such event shall not constitute a Mandatory Redemption Event unless the Issuer elects otherwise).

For the avoidance of doubt, a Mandatory Redemption Event may occur after the Scheduled Maturity Date following a Potential Collateral Assets Default.

If the Calculation Agent determines (acting in good faith and a commercially reasonable manner) that a Valuation Trigger Event has occurred, it shall notify the Issuer in writing (such notice, a "**Valuation Trigger Event Notice**") of such event."

3. **CONDITION 6**

If an Issuer payment default under Condition 6.1(a) occurs and such event also constitutes a Mandatory Redemption Event under Condition 5.1(a)(i), then the provisions of Condition 5.1(a)(i) shall prevail.

4. **CONDITION 15 (NOTICES)**

The following shall be inserted after the final paragraph of Condition 15 (Notices):

"On each occasion that the Principal Paying Agent is notified by the Counterparty or the Issuer of the occurrence of an Event Determination Date (as defined in the Derivative Agreement) under the Credit Derivative Transaction, the Principal

Paying Agent shall: (a) immediately notify the Note Trustee and the Custodian and (so long as such Notes are listed on the Irish Stock Exchange and the rules of that stock exchange so require) the Irish Stock Exchange accordingly, and (b) in accordance with the provisions of this Condition 15, immediately deliver to the holders of the Series a notice advising them of the occurrence of such Event Determination Date. For the avoidance of doubt, failure by the Issuer to provide such notice shall not affect the satisfaction of the Conditions to Settlement under the Derivative Agreement.

If the Issuer receives an Extension Notice or a Valuation Trigger Event Notice from the Counterparty or the Calculation Agent, the Issuer shall provide a copy of each such notice to the holders of the Series in accordance with the provisions of this Condition 15. For the avoidance of doubt, failure by the Issuer to provide such notice shall not affect the validity of such notice."

## **5. CALCULATIONS AND MODIFICATIONS**

Following any determination made or deemed to have been made by a Credit Derivatives Determinations Committee (as defined in the Derivative Agreement relating to the Notes) or the publication of any auction settlement terms by the International Swaps and Derivatives Association, Inc. which is reflected in, or given effect to by, amendments or changes by the Calculation Agent under the Derivative Agreement to the Credit Derivative Transaction (the Calculation Agent in respect of the Notes may make any modifications to the terms and conditions of the Notes (including, without limitation, to the maturity of the Notes, the principal amount outstanding of the Notes, the calculation or determination of any amounts paid or payable in respect of the Notes (whether interest, principal or otherwise) and any date of calculation or determination of any such amounts) without the consent of the holders of the Series or the holders of the Coupons.

In exercising any discretions or determining any amounts relating to the Notes and/or the Derivative Agreement (including, but not limited to, making certain determinations, selections or elections relating to any Credit Events, Succession Events or the identity of any Successors), the Calculation Agent (in its sole discretion) may rely on the determinations of any Credit Derivatives Determinations Committee and shall not be liable to the Issuer, Noteholders or any other persons for such reliance, or may make determinations which are different or inconsistent with those of, or which are made in the absence of any such determination by, any Credit Derivatives Determinations Committee.

## **6. SUSPENSION OF OBLIGATIONS**

6.1 If a Credit Event Resolution Request Date occurs in relation to the Reference Entity then, unless the Counterparty otherwise elects by notice to the Issuer, the Principal Paying Agent, the Calculation Agent and the Note Trustee, any obligation of the Issuer to redeem any Note or pay any amount of interest which would otherwise be due thereon (and any related obligation of the Counterparty under the Derivative Agreement) shall, insofar as it relates to the Reference Entity, be and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved with respect to the Reference Entity:

- (a) the matters described in paragraphs (a) and (b) of the definition of "Credit Event Resolution Request Date"; or
- (b) not to determine such matters.

6.2 During such suspension period, neither the Issuer nor the Counterparty shall be obliged to, nor are they entitled to, take any action in connection with the settlement of any credit derivative transaction to which the Derivative Agreement relates or the Notes, in each case insofar as they relate to the Reference Entity. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved:

- (a) the matters described in paragraphs (a) and (b) of the definition of "Credit Event Resolution Request Date"; or
- (b) not to determine such matters,

such suspension shall terminate and any obligations so suspended shall resume on the Business Day following such public announcement by ISDA, with the Counterparty and the Issuer having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject always to the provisions of paragraph 17 (Fixed Rate Obligations) of Part A, become due on the date determined by the Calculation Agent, in its sole discretion but not later than fifteen Business Days following such public announcement by ISDA.

6.3 For the avoidance of doubt, no interest shall accrue on any payment of interest or principal which is deferred in accordance with paragraph 6.

For the purpose of this paragraph 6:

**"Credit Derivatives Determinations Committee"** means each committee established by ISDA for the purposes of reaching certain DC Resolutions (as defined in the Rules) in connection with credit derivative transactions in the over-the-counter market, as more fully described in the Rules.

**"Credit Event Resolution Request Date"** means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Credit Event has occurred with respect to the Reference Entity or Obligation thereof; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of Publicly Available Information (as defined in the Derivative Agreement) with respect to the DC Resolutions referred to in paragraphs (a) and (b) above.

**"Reference Entity"** has the meaning given to it in the Derivative Agreement.

**"Resolve"** has the meaning given to that term in the Rules, and "Resolved" and "Resolves" shall be interpreted accordingly.

**"Rules"** means the Credit Derivatives Determinations Committee Rules published by ISDA, as amended from time to time in accordance with the terms thereof.

## PART D - FORM OF SWAP CONFIRMATION

To: Novus Capital plc  
11/12 Warrington Place  
Dublin 2  
Ireland

From: Nomura International plc  
1 Angel Lane  
London EC4R 3AB  
United Kingdom

Tel: +44 (0) 20 7521 2000

Fax: +44 (0) 20 7521 2121

Date: 11 May 2012

Re: **Swap Transaction - Novus Capital plc Series 2012-29 EUR 5,000,000 Credit Linked Notes due June 2013**

Dear Sirs,

The purpose of this letter agreement (this "**Confirmation**") is to confirm the terms and conditions of the Cash Flow Swap Transaction (the "**Cash Flow Swap Transaction**") and the Credit Derivative Transaction (the "**Credit Derivative Transaction**") entered into between you and us on the Trade Date specified below. This Confirmation constitutes a "**Confirmation**" as referred to in the ISDA Master Agreement specified below.

This Confirmation supplements, forms part of, and is subject to, the 2002 ISDA Master Agreement dated as of 11 May 2012 together with the Schedule (as set forth in the Derivatives Master Terms dated 3 August 2011 and signed for identification purposes by Party A and the Trustee) and the Credit Support Annex thereto (as each may be amended or supplemented from time to time, the "**Agreement**"), between Party A and Party B. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

The Transaction relates to the issue by Party B of its Series 2012-29 EUR 5,000,000 Credit Linked Notes due June 2013 (the "**Notes**") in respect of which an Issue Deed dated 11 May 2012 has been issued (the "**Issue Deed**").

### SECTION A - GENERAL

The following terms shall apply to all Transactions set out in this Confirmation:

Trade Date:	20 April 2012
Effective Date:	11 May 2012
Party A:	Nomura International plc
Party B:	Novus Capital plc
Calculation Agent:	Party A (whose determinations and calculations shall be binding in the absence of manifest error)
Calculation Agent City:	London
Business Days:	London and TARGET2 Settlement Day

### SECTION B - CASH FLOW SWAP TRANSACTION

The definitions and provisions contained in the 2006 ISDA Definitions (the "**Definitions**"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Section B. In addition, terms and expressions used in this Section B that are not otherwise defined in the Agreement (as defined below), this Section B or the Definitions will have the meanings given to them on the date hereof in the terms and conditions of the Notes (the "**Conditions**"). In the event of any inconsistency between the Definitions and the Conditions, the Conditions will govern. In the event of any inconsistency between: (i) the Definitions or the Conditions; and (ii) this Section B, this Section B will govern.

1. **GENERAL TERMS**

Termination Date: Maturity Date (as defined in the Issue Deed)

Business Day Convention: Following

2. **PARTY A PAYMENTS**

Payer: Party A

Party A Payment Dates: Each Interest Payment Date under the Notes and the Maturity Date or, as the case may be, the Cash Settlement Date.

Party A Payment Amounts: With respect to each Party A Payment Date, an amount in EUR equal to the aggregate amount payable by way of Interest Amounts and the Redemption Amount at the Maturity Date or, as the case may be, the Note Cash Settlement Amount on the Cash Settlement Date.

3. **PARTY B PAYMENTS**

Payer: Party B

Party B Payment Date: Each date on which any amount is payable by way of interest, principal and/or other redemption or early redemption distributions (if any) under the Collateral Assets, up to and including the Collateral Assets Delivery Date (as defined in the Credit Derivative Transaction).

Party B Payment Amount: With respect to each Party B Payment Date, an amount in EUR equal to the aggregate amounts payable by way of interest, principal and/or other redemption or early redemption distributions (if any) under the Collateral Assets on such date.

Party B payments shall be determined by reference to the terms of the Collateral Assets in effect on the Trade Date unless otherwise consented to in writing by Party A.

**SECTION C – CREDIT DERIVATIVE TRANSACTION**

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions, as supplemented by the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA on 7 March 2005 and the July 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (together, the "**Credit Derivatives Definitions**"), each as published by the International Swaps and Derivatives

Association, Inc. ("**ISDA**") are incorporated into this Section C, subject to the modifications and exclusions detailed herein.

In addition, terms and expressions used in this Section C that are not otherwise defined in the Agreement (as defined below), this Section C or the Credit Derivatives Definitions will have the meanings given to them on the date hereof in the terms and conditions of the Notes (the "**Conditions**"). In the event of any inconsistency between the Credit Derivatives Definitions and the Conditions, the Conditions will govern. In the event of any inconsistency between: (i) the Credit Derivatives Definitions or the Conditions; and (ii) this Section C, this Section C will govern.

#### 4. **GENERAL TERMS**

Buyer:	Nomura International plc
Seller:	Novus Capital plc
Scheduled Termination Date:	Scheduled Maturity Date (as defined in the Issue Deed)
Business Day Convention:	Save as expressly set out in this Section C and subject to Sections 1.4 and 1.6 of the Credit Derivatives Definitions, all dates specified in this Section C are subject to adjustment in accordance with the Following Business Day Convention
Reference Entity:	Banco Santander (Sub)
Transaction Type:	European Corporate
Reference Obligation(s):	The obligation identified as follows: Primary Obligor: Banco Santander (Sub) Maturity: 30-Sep-2019 Coupon: Variable CUSIP/ISIN: XS0201169439
All Guarantees:	As set out in the Physical Settlement Matrix.
Reference Price:	100 per cent.

#### 5. **FLOATING PAYMENTS**

Floating Rate Payer Calculation Amount:	EUR 5,000,000 (the " <b>Reference Entity Notional Amount</b> ")
Conditions to Settlement:	Credit Event Notice  Notice of Publicly Available Information  Notifying Party: Calculation Agent (provided that for the purpose of the definition of Event Determination Date in the Credit Derivatives Definitions, the Notifying Party shall be "Buyer or Seller").  Public Sources: Each source of Publicly Available Information identified pursuant to Section 3.7 of the Credit Derivatives

## Definitions

Specified Number: Two

**"Credit Event Notice"** means an irrevocable notice (which the Notifying Party has the right but not the obligation to deliver) from the Notifying Party (which may be oral including by telephone to be confirmed in writing) to Seller that describes a Credit Event that occurred in respect of a Reference Entity during the Credit Event Reference Period and which may be delivered at any time from the Issue Date, up to and including the later of the Scheduled Termination Date and the Extended Maturity Date (the **"Swap Notice Delivery Period"**).

**"Credit Event Reference Period"** means, the period from (and including) the date which is 60 calendar days prior to the Trade Date to (and including) the Scheduled Termination Date, provided that if the Notes fall due for redemption in accordance with their terms prior to the Scheduled Maturity Date of the Notes, the Credit Event Reference Period shall end on the Early Redemption Date.

For the purposes of this Transaction, references in the Credit Derivatives Definitions to "Notice Delivery Period" shall be construed as references to the "Swap Notice Delivery Period".

Credit Events: As set out in the Physical Settlement Matrix

Obligations:

Obligation Category: As set out in the Physical Settlement Matrix

Obligation Characteristics: As set out in the Physical Settlement Matrix

## 6. SETTLEMENT TERMS

Settlement Method: Cash Settlement

Terms relating to Cash Settlement:

Valuation Date: A date within the period commencing on and including an Event Determination Date to and including the 90th Business Day following such Event Determination Date as determined by the Calculation Agent (or as otherwise specified in the relevant Credit Event Notice)

Valuation Time: 11:00 a.m. (London time)



Quotation Method:	Bid
Quotation Amount:	With respect to the relevant Reference Entity, an amount equal to the principal balance of each type or issue of Reference Obligation(s) or Deliverable Obligation as selected by the Buyer (or its equivalent in the relevant Settlement Currency (" <b>Currency Equivalent</b> "), as converted by the Calculation Agent on the relevant Valuation Date in a commercially reasonable manner by reference to exchange rates then in effect). The aggregate of the principal balances with respect to each Reference Obligation(s) or Deliverable Obligation(s) shall not exceed the applicable Reference Entity Notional Amount.
Dealers:	Active dealers in obligations of the type of the Reference Obligation, as selected by the Calculation Agent.
Cash Settlement Date:	The 10th Business Day following the Valuation Date (or as otherwise specified in the relevant Credit Event Notice).
Cash Settlement Amount:	Notwithstanding the Credit Derivatives Definitions, the Seller's obligations to pay the Buyer the Cash Settlement Amount shall be deemed to be discharged by delivery by or on behalf of the Seller of all the Collateral Assets to the Buyer on the Cash Settlement Date, in order to convey all right, title and interest in the Collateral Assets to the Buyer free and clear of any and all liens, charges, claims or encumbrances (subject only to any lien, pledge, charge or other encumbrance arising by operation of law or in favour of the relevant clearing system in, by or through which the Collateral Assets are held in accordance with the rules or operating procedures or the other conditions applicable to the holding of the Collateral Assets in such clearing system) (the date of such delivery, the " <b>Collateral Assets Delivery Date</b> ").
Quotations:	The Calculation Agent shall seek Quotations pursuant to Section 7.7 of the Credit Derivatives Definitions provided that the Calculation Agent shall (i) be solely responsible for obtaining Quotations and the Quotations shall be determined by the Calculation Agent for the purposes thereof; and (ii) determine whether such Quotations shall include or exclude accrued but unpaid interest based on the then current market

practice in the market or relevant obligation.

Valuation Method:

Blended Highest, provided that (a) the arithmetic mean of the highest Quotations for each Reference Obligation or Deliverable Obligation shall be weighted; and (b) the Calculation Agent may in its sole discretion select one or more Reference Obligations or Deliverable Obligations but is not required to select more than one; (c) the Calculation Agent may select the "cheapest" such obligations and (iv) if only one Reference Obligation or Deliverable Obligation is selected by the Calculation Agent, the Valuation Method shall be Highest.

Final Price:

The Final Price shall be determined by the Calculation Agent:

- (a) to be equal to the price of the Reference Obligation or a Deliverable Obligation of the Reference Entity for which the Conditions to Settlement have been satisfied, as selected by the Calculation Agent in its sole and absolute discretion, as determined in accordance with the Valuation Method; or;
- (b) in accordance with the Settlement Mechanism (with amendments to any other terms and conditions of the Notes which are required (in the Calculation Agent's discretion) to be consistent with the provisions of such Settlement Mechanism),

provided that the election of (a) or (b) above shall be at the sole discretion of the Calculation Agent.

For these purposes, "**Settlement Mechanism**" means, as determined by the Calculation Agent in respect of a Reference Entity that is subject to a Credit Event, a market protocol and/or market settlement process that has been established or announced in connection with one or more credit derivative transactions relating to the Reference Entity; in each case, with the intention that a Final Price in respect of the Reference Entity be determined in accordance with such market protocol and be used to determine the amounts payable by and/or rights and obligations of the parties under such transactions which relate to such Reference Entity.

7. **NOTIFICATION**

The Calculation Agent will inform Seller, the Note Trustee and the Principal Paying Agent of the determination of an Event Determination Date in respect of the Reference Entity as soon as reasonably practicable following the determination of such Event Determination Date. Failure by a party to provide a notice described in this paragraph 7 will not constitute an Event of Default or other default or breach in respect of Buyer and will not affect the validity of a notice that otherwise is given in accordance with the terms of this Section C.

8. **CREDIT DERIVATIVES DEFINITIONS**

The following provisions of the Credit Derivatives Definitions shall be amended as set out below:

- (i) deleting the words "or a New Credit Derivative Transaction" from Section 2.1 (*Reference Entity*); and
- (ii) Section 2.2 (*Provisions for Determining a Successor*) as follows:
  - (A) the reference in Section 2.2(a)(iii) and Section 2.2(a)(iv) to "a Successor for a New Credit Derivative Transaction determined in accordance with the provisions of Section 2.2(e)" shall be deleted and replaced with "treated as a separate Reference Entity"; and
  - (B) Section 2.2(e) shall be replaced in its entirety with the words, "Where, pursuant to Section 2.2(a)(iii) or Section 2.2(a)(iv) above, one or more Successors have been identified, each such Successor shall be deemed to be a Reference Entity with a Floating Rate Payer Calculation Amount equal to the Reference Entity Notional Amount of the Reference Entity that has been succeeded divided by the number of Successors thereto."

9. **DETERMINATIONS COMMITTEE**

In exercising any discretions or determining any amounts (including, but not limited to the occurrence or non-occurrence of a Credit Event, a Succession Event, determination of whether an Event Determination Date should be effective and any determinations of one or more Successors) the Calculation Agent may rely on the determinations of any Credit Derivatives Determinations Committee. In relying on the determinations of any Credit Derivatives Determinations Committee, the Calculation Agent shall not be liable to the Seller, the holders of the Notes or any other persons for such reliance.

Notwithstanding the provisions of the Credit Derivatives Definitions (including but not limited to the provisions relating to an Event Determination Date, Credit Event, Succession Event and/or Successor), the Calculation Agent may make determinations which are different or inconsistent with those of any Credit Derivatives Determinations Committee (including any such determination which would otherwise apply pursuant to the Credit Derivatives Definitions) or which are made in the absence of any such determination by any Credit Derivatives Determinations Committee.

10. **THIS TRANSACTION IS NOT A CONTRACT OF INSURANCE**

The parties confirm that this Transaction is not intended to be and does not constitute a contract of surety, insurance, guarantee or indemnity. The parties acknowledge that the payments to be made by Seller will be made independently and are not conditional upon Buyer sustaining or being exposed to risk or loss and

that the rights and obligations of the parties hereunder are not dependent upon Buyer owning or having any legal, equitable or other interest in the Reference Obligations or any obligations of any Reference Entity.

#### **SECTION D – OTHER GENERAL TERMS**

The following terms shall apply to all Transactions set out in this Confirmation:

##### **11. ADDITIONAL TERMINATION EVENT RELATING TO OTHER TRANSACTION**

Part 1(g) of the Schedule to the Agreement shall be deemed to be amended by adding the following new paragraph (d):

"(d) Any other Transaction relating to the Notes is terminated in whole."

##### **12. REPRESENTATIONS AND AGREEMENTS**

Each party agrees that the Calculation Agent is not acting as a fiduciary for or as an adviser to either party in respect of its duties as Calculation Agent in connection with these Transactions. The Calculation Agent's determinations and calculations will be made in good faith in a commercially reasonable manner and will be binding in the absence of manifest error. The Calculation Agent will have no responsibility for good faith errors or omissions in making any determination as provided herein.

##### **13. NOTICE AND ACCOUNT DETAILS**

###### **(a) Details for Notices**

The notice details set forth in the Definitions and Common Provisions relating to the Programme dated 3 August 2011 shall apply together with the email addresses listed below:

Party A: scctrading-LDN@nomura.com

Party B: novus@ogier.com

###### **(b) Account Details**

*Account Details of Party A:*

Account for payments in EUR: Citibank N.A., London

Account Name: Nomura International Plc – Euro Nostro Account

Account No.: GB44CITI 18500812543850

SWIFT: CITIGB2L

*Account Details of Party B:*

Accounts for payments in EUR: Citibank N.A., London

Account No.: 8378339

Reference: Novus Series 2012-29

SWIFT: CITIGB2L

Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us by facsimile.

Yours sincerely,

Confirmed on behalf of

**Nomura International plc**

By:

Name:

Title:

Confirmed on the date first above written.

**Novus Capital plc**

By:

Name:

Title:

**PART E - PARAGRAPH 11 OF THE CREDIT SUPPORT ANNEX**

Paragraph 11 shall be deemed to be attached to, and form part of the 1995 Credit Support Annex (Transfer – English Law) in standard form as published by ISDA.

**Paragraph 11. Elections and Variables**

- (a) *Base Currency and Eligible Currency.*
  - (i) **"Base Currency"** means EUR;
  - (ii) **"Eligible Currency"** means the Base Currency.
- (b) *Credit Support Obligations*
  - (i) Delivery Amount, Return Amount and Credit Support Amount.
    - (A) **"Delivery Amount"** has the meaning specified in Paragraph 2(a), except that the words "upon a demand made by the Transferee on or promptly following a Valuation Date if" shall be deleted. For the purposes of Paragraph 3(a), where applicable, a demand shall be deemed to have been made by the Transferee and received by the Transferor by the Notification Time.
    - (B) **"Return Amount"** has the meaning specified in Paragraph 2(b), except that the words "upon a demand made by the Transferee on or promptly following a Valuation Date if" shall be deleted. For the purposes of Paragraph 3(a), where applicable, a demand shall be deemed to have been made by the Transferee and received by the Transferor by the Notification Time.
    - (C) **"Credit Support Amount"** has the meaning specified in Paragraph 10.
  - (ii) Eligible Credit Support. The following items will qualify as "Eligible Credit Support" for the party specified here:

	<b>Party A</b>	<b>Party B</b>	<b>Valuation Percentage</b>
Cash in the Eligible Currency	X	X	100 per cent.
Negotiable debt obligations issued by the Government of France, Germany, Italy, Japan, Canada, the United Kingdom or the United States (together, the " <b>G7 Countries</b> ").	X	X	100 per cent.
Collateral Assets	X	X	80 per cent.

- (iii) Thresholds:
  - (A) **"Independent Amount"** means with respect to Party A: zero  
**"Independent Amount"** means with respect to Party B: zero
  - (B) **"Threshold"** means with respect to Party A: zero  
**"Threshold"** means with respect to Party B: zero

(C) **"Minimum Transfer Amount"** means with respect to Party A: EUR 250,000

**"Minimum Transfer Amount"** means with respect to Party B: EUR 250,000

(iv) Rounding. The Delivery Amount and the Return Amount will be rounded down to the nearest integral multiple of EUR 10,000.

(c) *Valuation and Timing*

(i) **"Valuation Agent"** means the Calculation Agent from time to time for the purposes of the Notes.

(ii) **"Valuation Date"** means the Issue Date and each Local Business Day thereafter.

(iii) **"Valuation Time"** means the close of business on the Local Business Day immediately preceding the relevant Valuation Date or date of calculation, as applicable provided that the calculations of Value and Exposure will be made as of approximately the same time on the same date.

(iv) **"Notification Time"** means 1.00 p.m., London time on a Local Business Day.

(d) *Exchange Date.* **"Exchange Date"** has the meaning specified in Paragraph 3(c)(ii).

(e) *Dispute Resolution*

(i) **"Resolution Time"** means 1.00 p.m., London time, on the Local Business Day following the date on which notice of the dispute is given under Paragraph 4.

(ii) Value. For the purpose of Paragraphs 4(a)(4)(i)(C) and 4(a)(4)(ii), the Value of the outstanding Credit Support Balance or of any transfer of Eligible Credit Support or Equivalent Credit Support, as the case may be, will be calculated as set out in the definition of Value in Paragraph 10.

(iii) Alternative. The provisions of Paragraph 4 will apply.

(f) *Distributions and Interest Amount*

(i) Interest Rate. Interest on Eligible Credit Support in the form of cash in the Eligible Currency will accrue from day to day at the rate available to Party B in respect of cash balances in the Eligible Currency held by Party B with the Custodian.

(ii) Transfer of Interest Amount. The transfer of the Interest Amount will be made on the second Local Business Day of each calendar week.

(iii) Alternative to Interest Amount. The provisions of Paragraph 5(c)(ii) will apply.

(g) *Addresses for Transfers*

*Party A:*

Collateral Management Department  
One Angel Lane  
London EC4R 3AB

Attention: Paul Howe  
Telephone: +44 20 7521-2515  
Facsimile: +44 20 7521-1335

Email: OTDCollateral@uk.nomura.com

Details for transfers of cash in the Eligible Currency: to be advised at the time of settlement.

Details for transfers of Eligible Credit Support: to be advised at the time of settlement.

*Party B:*

Novus Capital plc  
11/12 Warrington Place  
Dublin 2  
Ireland

Attention: The Directors  
Telephone: +353 1 775 2600  
Facsimile: +353 1 775 2601  
Email: novus@ogier.com

Details for transfers of cash in the Eligible Currency: to be advised at the time of settlement.

Details for transfers of Eligible Credit Support: to be advised at the time of settlement.

(h) *Other Provisions*

(i) *Early Termination*

The parties agree that the terms of each Annex to the 2002 Master Agreement Protocol published by ISDA apply to this Agreement as if the parties had adhered to the Protocol without amendment provided that:

(A) The heading for Paragraph 6 shall be deleted and replaced with "Early Termination" and the following shall be added:

- (1) after the word "Default" in the first line, "or a Termination Event in relation to all (but not less than all) Transactions"; and
- (2) after the words "Defaulting Party", in the fourth line, "or the Affected Party as the case may be".

(B) The following sentence shall be added to the end of Paragraph 6:

"For the purposes of this Paragraph 6, the Value of the Credit Support Balance shall be determined on the basis that the Valuation Percentage applicable to each item of Eligible Credit Support is 100 per cent.."

(ii) *Ineligible Credit Support.* If at any time any Eligible Credit Support which has been transferred pursuant to Paragraph 2(a) ceases to qualify as Eligible Credit Support (the "**Ineligible Credit Support**"), the Transferee shall, upon demand by the Transferor, transfer to the Transferor any Ineligible Credit Support forming part of the Transferor's Credit Support Balance. The Transferee's obligation to transfer such Ineligible Credit Support is subject to the condition precedent that there is then no Delivery Amount applicable to the Transferor.



- (iii) *Final Returns.* When there are no Transactions (except for the Transaction constituted by this Annex) outstanding between the parties and no amounts are or may become payable by the Transferor with respect to any Transactions, the Transferee shall, upon demand by the Transferor, transfer to the Transferor Equivalent Credit Support having a Value as of the date of transfer as close as practicable to the entire Credit Support Balance (for the avoidance of doubt, disregarding any Threshold, Minimum Transfer Amount or Rounding provisions).
- (iv) *Definitions.* Terms defined in the Conditions have the same meaning in this Annex. For such purpose, "Conditions" means the terms and conditions set out in the base prospectus dated 12 August 2011 relating to the "Novus" Structured Issuance Programme for the issue of notes, as amended and restated by the terms and conditions set out in Party B's Issue Deed related to its Series 2012-29 EUR 5,000,000 Credit Linked Notes due June 2013 dated 11 May 2012.
- (v) *Instructions for Transfers.* For the purpose of receiving any instructions for the transfer of Eligible Credit Support hereunder, the Calculation Agent will instruct the Acquisition and Disposal Agent and the Acquisition and Disposal Agent will instruct the Custodian in accordance with the terms of the Custody Agreement.
- (vi) *Transactions.* Notwithstanding anything to the contrary in this Annex references in this Agreement to "all Swap Transactions", "all Transactions" and "all Affected Transactions" means only the Cash Flow Swap Transaction and the Credit Derivative Transaction relating to the Notes (as defined in the Issue Deed) (the "**Relevant Transactions**"). The credit support arrangements set out in this Annex shall constitute a Transaction relating to the Notes and form part of the Agreement with the Relevant Transactions. Neither Party A nor Party B shall be entitled to set off or net its payment obligations in respect of the Transaction for which this Annex constitutes the Confirmation against the payment obligations of the other party under any other Transaction except (and notwithstanding Sections 6(e) and 6(f) of the Agreement) in respect of the Relevant Transactions.

## **PART F – SUMMARY OF COLLATERAL ASSETS, REFERENCE ENTITY, CASH FLOW SWAP TRANSACTION AND CREDIT DERIVATIVE TRANSACTION**

The summary of the initial Collateral Assets, the Reference Obligation and the Cash Flow Swap Transaction and Credit Derivative Transaction set out below is qualified by reference to the detailed terms and conditions of the initial Collateral Assets, the Reference Obligation and the detailed provisions of the Derivative Agreement, respectively. The information set out under "Initial Collateral Assets" and "Reference Entity" below has been extracted from Bloomberg and other publicly available sources. 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 such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has not independently verified any such information. For the avoidance of doubt, such information is not incorporated by reference in, and does not form part of, this Series Prospectus. Prospective purchasers of the Notes may acquire such further information as they deem necessary in relation to the Collateral Assets, Reference Entity and/or Reference Obligation from such publicly available information as they deem appropriate. Investors should make their own investment, hedging and trading decisions (including decisions regarding the suitability of this investment), based upon their own judgement and upon advice from such advisers as such investors deem necessary and not upon any view expressed by the Issuer.

### **Initial Collateral Assets**

The Issuer will acquire the initial Collateral Assets from the Vendor on the Issue Date for a purchase price of EUR 5,000,000. The terms and conditions of the initial Collateral Assets are summarised below.

Issuer:	Instituto de Crédito Oficial
ISIN:	XS0633097299
Currency	EUR
Maturity	16 May 2013
Amount:	EUR 5,000,000
Coupon:	3.875%
Original issue amount:	EUR 2,600,000,000
Listing:	Regulated market of the Luxembourg Stock Exchange
Country of Incorporation of Issuer:	Kingdom of Spain
Governing law of the Collateral Assets	Spanish law
Address of issuer:	Paseo del Prado,4 28014 Madrid Spain
Description of issuer:	<p>The issuer is a State-owned corporate entity attached to the Spanish Ministry of Economy and Finance through the Secretariat of State for the Economy. It has the status of the State's Financial Agency of Spain.</p> <p>The main objective of the issuer is to promote economic and social development in Spain by allocating medium and long-term funds to selected sectors (i.e., housing construction, infrastructure, telecommunications, energy, environment and transport) and regional areas of the Spanish economy. Most of the issuer's loans are made to</p>

small and medium enterprises, either directly or through mediation loans.

### **Reference Entity**

Information relating to the Reference Entity is summarised below.

Reference Entity: Banco Santander (Sub)

Address of Reference Entity: Paseo de Pereda 9-12

39004 Santander

Spain

Description of Reference Entity: Banco Santander is a retail bank based in Spain and present in ten major markets. It is the eurozone's leading bank and is among the top 15 financial institutions worldwide in terms of market capitalisation, with more than €50 billion at the close of 2011. Founded in 1857, Banco Santander manages €1.383 billion in funds for more than 102 million clients through its network of 15,000 offices. With 3.3 million shareholders and 193,000 employees, the bank is the leading financial institution in Spain and Latin America, and holds important positions in the United Kingdom, Portugal, Germany, Poland, and the northeastern United States. In addition, its Consumer Finance division operates through Scandinavia and other European countries. Its shares are listed on the stock markets of Spain, New York, London, Lisbon, Mexico, Sao Paulo, Buenos Aires, and Milan, and are featured on 62 different indices.

Legal jurisdiction by which Reference Entity is governed: Kingdom of Spain

Regulated market on which Reference Obligation is listed and information relating to the regulated market: Luxembourg Stock Exchange

### **Custody Arrangements**

The Collateral Assets will be held in an account of, and in the name of, the Custodian. Please refer to Section 10 of the Base Prospectus for further information.

### **Cash Flow Swap Transaction**

Under the Cash Flow Swap Transaction, the Issuer will pay to the Counterparty all amounts payable by way of interest, principal and/or other redemption or early redemption distributions (if any) under the Collateral Assets. The Counterparty will pay to the Issuer an amount in EUR equal to the aggregate amount payable by way of Interest Amounts and the Redemption Amount at the Maturity Date in respect of the Notes.

### **Credit Derivative Transaction**

Under the Credit Derivative Transaction, if the Conditions to Settlement are satisfied in respect of the Reference Entity, the Issuer as seller will deliver to the Counterparty the Collateral Assets.

**Arranger, Calculation Agent, Acquisition and Disposal Agent, Counterparty,  
Permanent Dealer and Vendor**

**Nomura International plc**

1 Angel Lane  
London  
United Kingdom  
EC4R 3AB

**Registered Office of Novus Capital plc**

2<sup>nd</sup> Floor  
11/12 Warrington Place  
Dublin 2  
Ireland

**Note Trustee and Security Trustee**

**Citicorp Trustee Company Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

**Principal Paying Agent and Custodian**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

**Irish Listing Agent**

**NCB Corporate Finance Limited**

3 George's Dock  
IFSC  
Dublin 1  
Ireland

**Legal Advisers**

*To the Arranger and Permanent Dealer as  
to English law*

**Ashurst LLP**  
Broadwalk House  
5 Appold Street  
London EC2A 2HA

*To the Issuer as to Irish law*

**Matheson Ormsby Prentice**

70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Auditor of the Issuer**

Deloitte & Touche  
Earlsfort Terrace  
Dublin 2  
Ireland