

# **PROSPECTUS**

## **LUNAR FUNDING V PLC**

*(incorporated as a public company with limited liability in Ireland)*

### **SERIES NO 2011-81**

**€25,000,000 Limited Recourse Secured Asset-Backed Notes due 2026**

**Issue Price: 100 per cent.**

**Issued pursuant to its US\$10,000,000,000**

**SECURED ASSET-BACKED MEDIUM TERM NOTE PROGRAMME**

**arranged by**

**THE ROYAL BANK OF SCOTLAND PLC**

Dated 4 October 2011

The date of this Issuance Document is 4 October 2011.

This Issuance Document, under which the Notes described herein (the "**Notes**") are issued by Lunar Funding V plc (the "**Issuer**"), incorporates by reference and should be read in conjunction with, the Programme Memorandum dated 14 December 2010 (the "**Programme Memorandum**") issued in relation to the US\$10,000,000,000 Secured Asset-Backed Medium Term Note Programme (the "**Programme**") of Lunar Funding I Limited, Lunar Funding III Limited, Lunar Funding IV Limited, Lunar Funding V PLC and other Additional Issuers adhering to the Programme from time to time. Terms defined in the Programme Memorandum have the same meaning in this Issuance Document.

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

This Issuance Document constitutes a prospectus for the Prospectus Directive for such application and, where required, a copy thereof will be delivered to the Register of Companies in Ireland within 14 days after its publication.

The language of the 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.

**The Issuer accepts responsibility for the information contained in this Issuance Document and the Programme Memorandum. 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 Issuance Document and the Programme Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.**

The Counterparty accepts responsibility for the information contained in the section of this Issuance Document headed "*Description of the Counterparty*". To the best of the knowledge and belief of the Counterparty (having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Counterparty is not responsible for and accepts no responsibility for, the accuracy and completeness of any other information contained in this Issuance Document or the Programme Memorandum.

Information or summaries of information included herein with respect to the Initial Underlying Assets, the issuer of the Initial Underlying Assets and the Counterparty (together, the "**Third Party Information**") has been accurately reproduced from information published by such issuer and the Counterparty and, so far as the Issuer is aware and/or able to ascertain from such published information, no facts have been omitted which could render the reproduced information inaccurate or misleading. The Issuer has not made any enquiries as to its own possession of non-publicly available information. The Issuer has not conducted extensive due diligence on the Third Party Information, the Issuer has only made very limited enquiries with regards to the Third Party Information, limited to enquiring to obtain the information reproduced herein as Third Party Information; otherwise the Issuer has not made any enquiries in relation to the Third Party Information. Neither the Issuer nor the Arranger makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the Third Party Information and prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of the same.

This Issuance Document 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 Issuance Document in any jurisdiction where such action is required.

Neither the Arranger nor the Dealer (i) stands behind the Issuer, the Programme or the Notes or (ii) will make good any losses incurred by the Issuer in respect of the Notes, Charged Property or otherwise.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and are subject to US tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to US persons.

**Purchase of the Notes involves substantial risks. Prospective investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Notes. Prospective investors should make all pertinent inquiries (including those relating to the Third Party Information) they deem necessary without relying on the Issuer or the Counterparty. Prospective investors should consider the suitability of the Notes as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Prospective investors should consider carefully all the information set forth in this Issuance Document along with all the information set forth in the Programme Memorandum. Prospective investors should pay particular attention to the section entitled "Risk Factors" below (pages 4 to 11 inclusive) and "Irish Risk Factors" (pages 12 and 13 inclusive) and also the section entitled "Risk Factors" in the Programme Memorandum (pages 29 to 32 inclusive).**

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## RISK FACTORS

*An investment in the Notes involves certain risks. Prior to investing in the Notes, prospective purchasers should carefully consider the following factors.*

### SUITABILITY

Prospective investors should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers and such other advisers as they deem necessary to determine the appropriateness, effect, risks and consequences of an investment in the Notes. Any decision by prospective investors to make an investment in the Notes should be based upon their own judgement and upon any advice from such advisers, and not upon any view expressed by the Issuer or the Arranger and Dealer.

Neither the Arranger nor the 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 none of them accepts any responsibility or liability therefor. Neither the Arranger nor the Dealer undertake to review the financial condition or affairs of the Issuer or provide information in respect of the Underlying Assets during the life of the arrangements contemplated by this Issuance Document nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger or the Dealer.

Given the highly specialised nature of these Notes, the Issuer, the Arranger and Dealer consider that they are only suitable for investors who:

- (a) are highly sophisticated and have the requisite knowledge and experience in financial and business matters to evaluate the merits and considerable risks of an investment in the Notes;
- (b) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time, which may involve a partial or complete loss of principal and interest;
- (c) are acquiring the Notes for their own account 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
- (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

Consequently, a prospective investor who does not fall within the description above should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Prospective investors should note that the market value of the Notes is affected by supply and demand for the Notes, and that, accordingly, it should not be assumed that there will be a significant correlation between such market value and the market value of the Charged Property.

Prospective investors should also appreciate that:

- (a) they cannot rely, and will not at any time in the future be able to rely, on the Issuer, the Arranger and Dealer or any other member of the group of companies of which the Arranger and Dealer form part (the "**Group**") to provide them with any information relating to, or to

keep under review on their behalf, the business, financial condition, prospects, creditworthiness, status or affairs of the obligor(s) of the Charged Property or to conduct any investigation or due diligence with respect to any such person;

- (b) in connection with the issue of the Notes, none of the Issuer, the Counterparty, the Arranger and Dealer nor any member of the Group has made or is making any representations whatsoever as to the obligor(s) of the Charged Property or any information contained in any document filed by any such person with any exchange or with any regulatory authority or governmental entity;
- (c) the Issuer, the Counterparty, the Arranger and Dealer and each Group company may deal in and accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking activities or other business including any derivatives business (howsoever defined) with the obligor(s) of the Charged Property or any of their subsidiaries or affiliates or any other person or entity having obligations relating to the obligor(s) of the Charged Property and may act with respect to such activities or business without accountability to any investor in the Notes in the same manner as if the Notes did not exist, regardless of whether any such action might have an adverse effect (including, without limitation, by constituting or giving rise to any breach, event of default, credit event or termination event) on the obligor(s) of the Charged Property or any investor in the Notes; and
- (d) the Issuer, the Counterparty, the Arranger and Dealer and each Group company may, whether by virtue of the types of relationships described above or otherwise, at this date or at any time be in possession of information in relation to the obligor(s) of the Charged Property which is or may be material in the context of the Notes and which is or may not be known to the general public or to investors in the Notes. Purchase of the Notes by any investor does not create any obligation on the part of the Arranger and Dealer, the Issuer or any Group company to disclose to such investor any such relationship or information (whether or not confidential) and none of the Arranger and Dealer, the Issuer, nor any other Group company shall be liable to such investor by reason of such non-disclosure.

Before making an investment decision, prospective investors should inform themselves about, and make a detailed evaluation of, the nature and financial position of any obligor of the Charged Property, the economic, social and political condition of the jurisdiction in which any such obligor is located and of the terms and conditions of the Charged Property, and should acquire for themselves such further information as they deem necessary in respect of the Charged Property. Neither the Issuer nor any party referred to herein has had any access to any such obligor for the purposes of conducting any such investigation and no such person referred to herein makes any representations as to the financial condition or creditworthiness of any such obligor. In addition, prospective investors should consider the nature and financial position of the Issuer as well as the terms and conditions of the Notes and the other related transaction documents described below.

## **EXPOSURE TO CREDIT RISK ON OTHER PARTIES**

The ability of the Issuer to meet its obligations under the Notes will be dependent, *inter alia*, on its receipt of payments from the Counterparty under the Related Agreement.

In the event of a default of the Counterparty under the Related Agreement leading to a termination of the Related Agreement and the Notes being redeemed early pursuant to the Conditions of the Notes, the Calculation Agent will seek to liquidate the Charged Property on behalf of the Issuer. The market

for the Charged Property may be illiquid, and the proceeds of such liquidation may not be sufficient to meet payments due in respect of each Note.

## **PRINCIPAL PROTECTION**

The notes are not principal protected. The amount paid to investors at maturity and on any early redemption of the Notes may be less than the principal amount and could be zero. Investors therefore risk losing their entire investment.

## **NATURE OF THE INITIAL UNDERLYING ASSETS**

The ability of the Issuer to meet its payment obligations under the Notes will depend on the receipt by it of payments due from the issuer of the Initial Underlying Assets under the terms of the Initial Underlying Assets. Consequently, the Issuer is exposed to the ability of the issuer of the Initial Underlying Assets to perform its obligations under the terms of the Initial Underlying Assets.

## **TERMINATION OF THE RELATED AGREEMENT**

Upon an early termination of the Related Agreement, the Issuer may be required to make a termination payment to the Counterparty. Such payment will be determined on the basis set out in the Related Agreement, and will serve to compensate the Counterparty for the loss, if any, incurred by it by reason of such early termination. If the Issuer is required to make a termination payment in such circumstances, any such payment would reduce the amount available to the Issuer to make payments in respect of the Notes.

In the event the Related Agreement is being terminated as a result of the Counterparty being the Defaulted Counterparty, save and except (i) where the Replacement Option is validly exercised by the Instructing Noteholder pursuant to paragraph 77(B) (*Replacement Option*) below, and (ii) a firm bid is obtained by the Calculation Agent on behalf of the Issuer for purposes of entering into a Replacement Agreement, such termination of the Related Agreement will constitute a Mandatory Redemption Event and all the Notes shall be redeemed early.

## **CONFLICTS OF INTEREST INVOLVING THE ROYAL BANK OF SCOTLAND PLC AND ITS AFFILIATES**

The Royal Bank of Scotland plc and its affiliates are acting in a number of capacities in connection with the transaction described herein. The Royal Bank of Scotland plc and any of its affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity. In no event shall The Royal Bank of Scotland plc or any of its affiliates be deemed to have any fiduciary obligations to any person by reason of it or any of their affiliates acting in any capacity.

The Royal Bank of Scotland plc is acting as swap counterparty in respect of the Notes.

The Royal Bank of Scotland plc and its affiliates may purchase, hold and sell the Notes from time to time.

The Royal Bank of Scotland plc and its affiliates currently act as arranger and/or investment adviser for entities having investment objectives similar to those of the Issuer and in respect of notes or other instruments similar to the Notes (and may act as such in the future).

Employees of The Royal Bank of Scotland plc and its affiliates may also serve as directors of other entities having investment objectives similar to those of the Issuer.

The Royal Bank of Scotland plc may take actions that may be inconsistent with or adverse to the interests of the Issuer or the holders of the Notes. The interests and incentives of The Royal Bank of Scotland plc may differ from those of the Issuer and the Noteholders. The Royal Bank of Scotland plc will not be obliged to take any action to minimise losses or maximise recoveries in respect of the Underlying Assets.

The Royal Bank of Scotland plc and its affiliates may, whether as a result of relationships described above or otherwise, at the Trade Date or at any later time or times, be in possession of information in relation to the Underlying Assets that is or may be material in the context of the Notes and that may or may not be publicly available and which information The Royal Bank of Scotland plc or such affiliates may be prohibited from disclosing or using for the benefit of the Issuer.

### **CONFLICT OF INTEREST BETWEEN SECURED PARTIES**

The interests of the Counterparty, the Noteholders and the other Secured Parties may differ in certain circumstances. In the event of any conflict between the interests of the Noteholders and the interests of any other Secured Party, the Trustee shall have regard to the interests of the Noteholders, provided that, following such enforcement, payment of any monies due to the Secured Parties shall be made strictly in accordance with the terms of the Order of Priority. Conditions 12, 13 and 14, paragraph 74 of this Issuance Document and the Trust Deed contain provisions setting out the basis on which the Trustee is required to exercise its discretion and the circumstances in which it can be directed to act by the Counterparty or the Noteholders.

### **LIMITED RECOURSE AND NON-PETITION**

The Notes are limited recourse obligations of the Issuer. Payments due in respect of the Notes prior to redemption or acceleration thereof will be made solely out of amounts received by or on behalf of the Issuer in respect of the Charged Property. In addition, payments on the Notes both prior to and following enforcement of the security over the Charged Property will be subordinated to or rank *pari passu* with the prior payment of certain other amounts in accordance with the Order of Priority specified in this Issuance Document. The net proceeds of liquidation of the Charged Property (in the case of redemption of the Notes) or the realisation of the security thereover (in the case of enforcement thereof following an Event of Default) will depend on various factors and may be insufficient to pay all amounts due to the Noteholders after making payments to other creditors of the Issuer ranking prior to, or *pari passu* with, the Noteholders.

If the net proceeds of realisation of the security over the Charged Property constituted by the Trust Deed upon enforcement thereof are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Transaction Creditors (such negative amount being referred to herein as a "shortfall"), the obligations of the Issuer in respect of the Notes and its obligations to the other Transaction Creditors in such circumstances will be limited to such net proceeds which shall be applied in accordance with the Order of Priority. In such circumstances the other assets (if any) of the Issuer will not be available for payment of such shortfall which shall be borne by the Transaction Creditors in accordance with such order of priority (applied in reverse order), the rights of the Transaction Creditors to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders or the other Transaction Creditors may take any further action to recover such amounts. In addition, none of the Noteholders, the Trustee or other Transaction Creditors (nor any other person acting on behalf of any of them) shall be entitled at



any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes, the applicable Trust Deed or otherwise owed to the Transaction Creditors, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer.

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

## **MANDATORY REDEMPTION EVENT IN RESPECT OF THE UNDERLYING ASSETS**

To the extent that a Mandatory Redemption Event occurs with respect to the Notes, then unless a Physical Delivery Event applies and a Physical Delivery Exception has not occurred (in which case the Issuer shall deliver the Initial Underlying Assets to the Noteholders in lieu of payment of the relevant proportion of the Underlying Asset Liquidation Proceeds), the Calculation Agent acting on behalf of the Issuer is required to sell the relevant proportion of the Underlying Assets (or the rights in respect thereof) and is not entitled to defer such sale in anticipation that the price at which it may be effected will be higher at a later date. Following such sale and/or delivery, the Issuer will redeem all and not only some of the Notes. The net proceeds of any such sale (after deducting the costs, expenses and any taxes incurred in respect of such sale) may or may not equal the unpaid principal of the relevant Notes and interest thereon or the relevant portion thereof. In the event of an insolvency of an issuer or obligor in respect of any Underlying 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 as a result of any sale of such Underlying Assets.

No assurance can be given as to the amount of proceeds of any sale or liquidation of the Underlying Assets at that time since the market value of the Underlying Assets will be affected by a number of factors including but not limited to (i) the creditworthiness of the issuer or obligor of the Underlying Assets and any underlying obligors, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Underlying Assets and (iv) the liquidity of the Underlying Assets. Accordingly, the price at which the Underlying Assets are sold or liquidated may be at a discount, which could be substantial, to the market value of the Underlying Assets on the Issue Date and the proceeds of any such sale or liquidation may not be sufficient to repay the full amount of principal of and interest on the Notes that the Noteholders would expect to receive in the event that the Notes redeemed in accordance with their terms on the Scheduled Maturity Date.

## **PHYSICAL DELIVERY OF UNDERLYING ASSETS**

The terms and conditions of the Notes provide the Noteholders with the option to elect physical delivery of the Underlying Assets to such Noteholders in lieu of payment of the relevant proportion of the Underlying Asset Liquidation Proceeds following the occurrence of (i) a Mandatory Redemption Event or (ii) a Delayed Redemption Event, and, in each case provided that the Noteholder has provided a relevant Asset Transfer Notice to the Issuer, the Calculation Agent and the Paying Agent no later than the Cut-off Date. If for any reason upon such physical delivery, title to the Initial Underlying Assets has to be transferred by or is evidenced by a document rather than merely through a book entry in a clearing system such as Euroclear or Clearstream, Luxembourg or any Alternative

Clearing System, there is a risk of an Irish stamp duty (currently 1 per cent.) liability arising in respect of such a document.

## **SUBORDINATION OF PAYMENTS**

Payments on the Notes will be subordinated to payment of certain operating expenses of the Issuer, associated liabilities and to payments due to the Counterparty under the Related Agreement.

## **CONTROL**

If an Event of Default occurs for the purposes of the Notes, the Trustee may declare the principal of, and the accrued interest on, the Notes to be immediately due and payable. The remedies exercisable on an Event of Default and actions taken pursuant thereto could be adverse to the interest of the holders of the Notes and the Trustee will have no obligation to consider the effect of such remedies or actions on individual holders of Notes.

## **LIMITED LIQUIDITY**

There is currently no active trading market for any of the Notes being offered hereby. Neither The Royal Bank of Scotland plc nor any of its affiliates will be obligated to make a market in the Notes or otherwise to buy and sell the Notes following the issue thereof. The Notes may be owned by a relatively small number of investors and it is highly unlikely that an active secondary market for the Notes will develop. Purchasers of the Notes may find it difficult or uneconomic to liquidate their investment at any particular time, and it may be difficult for the holders of the Notes to determine the value of the Notes at any particular time. Consequently, a purchaser must be prepared to hold the Notes until maturity.

## **NO GROSS-UP**

In the event that any withholding tax or deduction for tax is imposed on payments of interest on the Notes, the holders of the Notes will not be entitled to receive grossed-up amounts to compensate for such withholding tax.

## **SECURITY**

Although certain of the security constituted by the Trust Deed over the Charged Property will be expressed to take effect as a fixed charge under English law, it may take effect as a floating charge which will be subject to the items which are given priority over a floating charge by law, including prior charges, the claims of lien-holders relating to the assets the subject of the charge, the expenses of any winding up and the claims of certain preferred creditors. In addition, a floating charge will rank after a subsequently created fixed charge and may be subject to avoidance or to the imposition of a moratorium on enforcement in certain circumstances.

The Trust Deed is governed by English law. Some of the Charged Property may be governed by laws of jurisdictions other than England which may require different and/or additional procedures and/or documentation to create or perfect any security interest, and no such action has been taken.

## **PRIORITY OF CLAIMS**

On an enforcement of the security interests created in respect of the Charged Property, the rights of the holders of the Notes to be paid amounts due under the Notes will be subordinated to (i) the payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or

any receiver in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the costs of realising any Charged Property and the Trustee's remuneration), (ii) the payment of all taxes due and owing by the Issuer to any tax authority (insofar as they relate to the Notes), (iii) claims of the Paying Agent and the Custodian, and the claims of all other Appointed Agents, on a *pari passu* basis and (iv) any claim of the Counterparty under the Related Agreement. Therefore, the Noteholders should be aware that there may be insufficient assets to satisfy their claims following payments to other creditors of the Issuer pursuant to the Order of Priority set out in the Trust Deed.

## **NO INVESTIGATIONS**

No investigations, searches or other enquiries have been made by or on behalf of the Issuer or the Trustee in respect of the Underlying Assets and any prospective investors should make their own investigations, searches and enquiries. No representations or warranties have been given by the Issuer in respect of the Underlying Assets.

## **REGULATION OF THE ISSUER BY ANY REGULATORY AUTHORITY**

Other than in connection with any public offer of Notes or their admission to trading on a regulated market within the European Economic Area, the Issuer is not required to be licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Issuer. The taking of a contrary view by such regulatory authority could have an adverse impact on the Issuer or the holders of the Notes.

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

## **THIRD PARTY INFORMATION**

The Issuer has only made very limited enquiries with regards to the Third Party Information, limited to enquiring to obtain the information reproduced herein as Third Party Information; otherwise the Issuer has not made any enquiries in relation to the Third Party Information. The Arranger has not verified or accepted any responsibility for, the accuracy and completeness of the information in this Issuance Document regarding the Third Party Information. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information. By purchasing any Notes each Noteholder shall be deemed to acknowledge and agree that this is the case and that it has made such investigations and that it will not bring any claim of any sort whatsoever and howsoever arising against the Issuer or the Arranger in respect of the accuracy or completeness of the Third Party Information.

## **NOTICES TO BE DELIVERED TO NOTEHOLDERS**

Where notices are required to be delivered by the Issuer to the Noteholders for certain options or elections to be made by the Noteholders as set out in the Conditions of the Notes, the Issuer will deliver the relevant notices to Euroclear and/or Clearstream, Luxembourg, for communication by them to the Noteholders, in accordance with Condition 17 (*Notices*). The Calculation Agent may, but is not obliged to, on behalf of the Issuer, provide the same notices to the Noteholders at their respective addresses appearing on the most recent record kept by the Issuer on a simultaneous basis.

The Calculation Agent shall not be liable to the Noteholders, or the Issuer, in respect of any failure to deliver, or delay in delivering, the notices in the manner set forth in the immediately preceding sentence. In certain circumstances, the failure of the Noteholders to act within the timeframes set out in the Notes and/or relevant notices may result in a payment selection or election or exercise of an option not being made or a determination being made at a later time or date in circumstances less favourable to the Noteholders. Such circumstances may have a negative impact on the payments to Noteholders under the Notes and may result in the Notes redeeming early. Each Noteholder shall at all times ensure its latest contact details, including a complete postal address and telephone number, are made available to the Issuer, or the Principal Paying Agent on behalf of the Issuer. Noteholders are also made aware that there may be delay between the time the notices are sent by the Issuer to Euroclear and/or Clearstream, Luxembourg, and the time such notices reach the Noteholders.

## **IRISH RISK FACTORS**

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

### **CENTRE OF MAIN INTEREST**

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interest (“**COMI**”) is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice (“**ECJ**”) in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company’s registered office is presumed to be the company’s COMI and stated that the presumption can only be rebutted if “factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect”. As the Issuer has its registered office in Ireland, has Irish Directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer’s COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

### **EXAMINERSHIP**

Examinership is a court procedure available under the Irish Companies (Amendment) Act 1990, as amended (the “**1990 Act**”) to facilitate the survival of Irish companies in financial difficulties.

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

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

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

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

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

## **PREFERRED CREDITORS**

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

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

## TERMS OF THE NOTES

### LUNAR FUNDING V PLC

**€25,000,000 Series 2011-81 Limited Recourse Secured Asset-Backed Note due 2026**

**issued pursuant to the**

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

The Terms of the Notes are as set out below. Any provisions of the Conditions, details of which are required to be set out in the Issuance Document which are not so specified herein, shall not apply to the Notes.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Programme Memorandum dated 14 December 2010. This Issuance Document must be read in conjunction with such Programme Memorandum.

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

The Notes will be governed by and construed in accordance with English law.

#### **A PRINCIPAL CHARACTERISTICS OF THE ISSUE**

1	Issuer	Lunar Funding V PLC
2	Relevant Dealer/Lead Manager	The Royal Bank of Scotland plc
3	Placement Agent	Not Applicable
4	Series No	2011-81
5	Tranche	Not Applicable
6	Relevant Currency (or Currencies in the case of Dual Currency Notes)	Euro ("€")
7	Type of Notes	Fixed Rate Notes
8	Principal Amount	€25,000,000
9	Issue Date	21 September 2011
10	Issue Price	100 per cent. of the Principal Amount
11	Interest Commencement Date	Issue Date
12	Maturity Date	The earlier to occur of:  (i) the later to occur of (a) 17 September 2026, subject to adjustment in accordance with the Business Day Convention (the " <b>Scheduled Maturity Date</b> ") and (b) in the event the Initial Underlying Assets are not redeemed in full as at the Initial Underlying Assets

Maturity Date (and provided a Physical Delivery Event has not occurred), the Maturity Date shall be the Early Redemption Date; and

- (ii) if applicable, the Early Redemption Date on which the Notes are redeemed pursuant to paragraphs 55 (*Mandatory Redemption Events*) or 56 (*Redemption for Taxation Reasons*) below.

13 Calculation Agent

The Royal Bank of Scotland plc

The determination by the Calculation Agent of any amount or of any state of affairs, circumstances, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Issuer, the Trustee, the Appointed Agents, the Custodian, the Counterparty and the Noteholders and the Couponholders (if any). In performing its duties pursuant to this Issuance Document and the Conditions, the Calculation Agent shall act in good faith and a commercially reasonable manner. The Calculation Agent is not acting as a fiduciary for, or as an adviser to, the Noteholders or the Couponholders (if any) in respect of its duties as Calculation Agent.

The Calculation Agent shall not incur any liability in acting under Condition 8(e) (Realisation of Charged Property upon Redemption) (as supplemented and amended by the provisions of paragraph 57 hereof).

14 Custodian

Deutsche Bank AG, London Branch appointed pursuant to the Custody Agreement dated 14 December 2010 between the Trustee, the Issuers and the Custodian, as supplemented for the purposes of the Notes by a supplemental custody agreement dated 21 September 2011 between the Issuer, the Trustee, the Custodian and the Counterparty.

15 Sub-Custodian (if any) (Clause 3.4 of Custody Agreement) Not Applicable



16	Asset Manager	Not Applicable	
17	<b>Related Agreements</b>	<b>Counterparty</b>	<b>Related Agreement Guarantor</b>
	The 2002 ISDA Master Agreement (together with the schedule thereto and the credit support annex to the Schedule thereto (the " <b>Credit Support Annex</b> ")) each dated as of 21 September 2011, as amended and supplemented from time to time, between the Issuer and the Counterparty, and a confirmation thereto (the " <b>Confirmation</b> ") with an effective date of 21 September 2011 between such parties in respect of a swap transaction (such transaction, the " <b>Swap Transaction</b> "). The form of the Confirmation is set out in Appendix 1 to this Issuance Document.	The Royal Bank of Scotland plc	Not Applicable
18	<b>Repurchase Agreement</b>	<b>Repurchase Counterparty</b>	
	Not Applicable	Not Applicable	
19	<b>Credit Support Documents</b>	<b>Credit Support Providers</b>	
	Not Applicable	Not Applicable	
20	Rating	None	
21	Listing	Application will be made to the Irish Stock Exchange for the Notes to be listed on the Official List and admitted to trading on its regulated market. No assurance can be given that such application for listing and admission to trading will be granted, or, if granted, will be granted by the Issue Date.	
<b>B</b>	<b>DEFINITIONS</b>		
22	Additional jurisdictions for the purposes of the definition of Business Day (as used in the definition of Interest Determination Date, Condition 3(c), 7(g), 8(f) and 8(o)(i) and in this Issuance Document)	See paragraph 25 ( <i>Additional defined terms</i> ) below.	
23	Business Day Jurisdictions for the purposes of the definition of	London	

Presentation Business Day

24 Principal Financial Centre (euro- Not Applicable  
denominated Notes)

25 Additional defined terms

Condition 1 (*Definitions*) of the Conditions of the Notes shall be supplemented by the following defined terms and in the event of any inconsistency, the provisions set out below shall govern:

**"Business Day"** means a day on which banks and foreign exchange markets are open for business in London and on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) system is open for the settlement of payments in Euro.

**"Business Day Convention"** means Modified Following Business Day Convention, provided that all references to "Determination Business Day" in Condition 7(c)(ii) (*Business Day Convention*) shall be deemed to be deleted and replaced with "Business Day".

**"Cut-off Date"** means the date which is five Business Days following the earliest to occur of (a) delivery of a Mandatory Redemption Event Notice; (b) delivery of an Extraordinary Resolution (as such term is defined in the Trust Deed) of the Noteholders requiring the Issuer to redeem all of the Notes pursuant to Condition 8(d); or (c) delivery of a Delayed Redemption Notice (as defined in paragraph 53(a) (*Final Redemption Amount*) below).

**"Controlling Party"** means, in relation to the Notes, the Counterparty.

**"Defaulted Counterparty"** means the Counterparty is the "Defaulting Party" or the sole "Affected Party" (as such terms are defined in the Related Agreement) under the Related Agreement.

**"Delayed Cut-off Date"** means the date which is 10 Business Days following the delivery of a Mandatory Redemption Event Notice.

**"Delivery Expenses"** means all governmental costs, taxes, duties and/or expenses, including stamp duty and stamp duty reserve tax arising from the delivery of the Underlying Assets.

**"Early Redemption Date"** means (i) subject to sub-paragraph (iii) herein, the date that is five Business Days following the receipt by the Issuer of the Underlying Assets Liquidation Proceeds pursuant to the Underlying Assets Realisation Procedure; (ii) in respect of those Notes for which a Physical Delivery Event has occurred, the Physical Delivery Date or (iii) in respect of the occurrence of a Delayed Redemption Event where the Issuer does not receive a valid Asset Transfer Notice from a Noteholder by the applicable Cut-off Date, the date that is five Business Days following such applicable Cut-off Date.

**"Event of Default"** has the meaning given to it in the Related Agreement.

**"Initial Underlying Assets Documentation"** means the terms and conditions governing the terms of the Initial Underlying Assets in effect as of the Issue Date, unless otherwise approved in writing in accordance with Condition 5(g).

**"Initial Underlying Assets Maturity Date"** means 15 September 2026, subject to any adjustment in accordance with the terms of the Initial Underlying Assets Documentation.

**"Initial Underlying Assets Purchase Agreement"** means an underlying assets purchase agreement dated 21 September 2011 entered into between The Royal Bank of Scotland plc in its capacity as a vendor of the Initial Underlying Assets and the Issuer pursuant to which the Initial Underlying Assets are purchased by the Issuer.

**"Instructing Noteholder"** means, as at any time, the Noteholder holding 100 per cent. of the outstanding principal amount of the Notes.

**"Mandatory Redemption Event Notice"** means a written notice given in accordance with the provisions of Condition 17 (*Notices*) by or on behalf of the Issuer to the Noteholders of the occurrence of a Mandatory Redemption Event.

**"Physical Delivery"** means the delivery by the Issuer, as holder of the Initial Underlying Assets, of the Initial Underlying Assets to, or to the order of, the relevant Noteholder in accordance with the provisions set out in paragraph 77(A) (*Physical Delivery*) below.

**"Poll Reference Bank"** means any leading dealer bank which deals in obligations of the type represented by the Related Agreement and/or the Underlying Assets, as applicable, which is nominated in accordance the provisions set out below.

**"pro rata"** means when applied to a Note and or an amount, a proportion equal to the proportion which the nominal amount of such Note has to the nominal amount of all Notes outstanding and, when applied to a Noteholder and any amount, a proportion equal to the proportion which the aggregate nominal amount of Notes held by that Noteholder (and, if relevant, have been the subject of an exercise or option) bears to all the Notes then outstanding.

**"Remaining Underlying Assets"** has the meaning given to it in paragraph 57 (*Underlying Assets Realisation Procedure*) below.

**"Sale BTPs"** has the meaning given to it in paragraph 57 (*Underlying Assets Realisation Procedure*) below.

**"Supplemental Trust Deed"** means a supplemental trust deed between, inter alios, the Issuer and The Royal Bank of Scotland plc in respect of the Notes dated on or about the date of this Issuance Document.

**"Termination Costs"**, following the occurrence of an early termination of the Related Agreement, an amount determined in accordance with the Termination Cost Realisation Procedure as defined below, either payable by the Issuer to the Counterparty or by the Counterparty to the Issuer. The Termination Costs, and any associated bids to be provided by a Poll Reference Bank pursuant to the Termination Cost Realisation Procedure below, shall (i) in respect of an early termination of the Related Agreement

arising as a result of the occurrence of an Event of Default with respect to the Counterparty, be inclusive of any Unpaid Amount owing to either party under the Related Agreement that arises as a result of the operation of Paragraph 6 of the Credit Support Annex; and (ii) in all other cases, be exclusive of any Unpaid Amount owing to either party under the Related Agreement that arises as a result of the operation of Paragraph 6 of the Credit Support Annex.

**"Termination Cost Realisation Procedure"** means a Termination Costs dealer poll conducted by the Calculation Agent (the **"TC Dealer Poll"**) of three Poll Reference Banks for the calculation of the value of the Termination Costs in respect of the Related Agreement in accordance with the following procedure:

- (a) The Instructing Noteholder may nominate one Poll Reference Bank by giving written notice (in accordance with the provisions of Condition 17 (*Notices*)) to the Issuer and the Calculation Agent no later than three Business Days prior to the Cut-off Date and the Issuer (or the Calculation Agent on its behalf) may nominate a second Poll Reference Bank. The third Poll Reference Bank will be the Calculation Agent. The TC Dealer Poll will be subject to the following:
  - (i) all Poll Reference Banks appointed must be acceptable to the Counterparty; and
  - (ii) Poll Reference Banks appointed to calculate the Termination Costs in respect of the Related Agreement may or may not be the same as the Poll Reference Banks appointed in respect of the purchase of the Underlying Assets (as set out in "Dealer Poll" at paragraph 57(a) (*Final Redemption Amount*) below).
- (b) The TC Dealer Poll will be carried out as soon as practicable after the occurrence of any Mandatory Redemption Event or the Replacement Request Cut-off Date, as applicable, but in any event prior to 11:00 a.m., London time on the day falling two Business Days prior to the Cut-off Date, with notice of the firm bids in respect of the Related Agreement being provided to the Instructing Noteholder prior to 1:00 p.m., London time on the date that falls on the second business Day following the Cut-off Date. The notice shall be given by or on behalf of the Issuer by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, for communication by them to the Noteholders as soon as reasonably practicable after receipt thereof.
- (c) Once the bids of the Poll Reference Banks are obtained by the Calculation Agent, the Issuer will accept the bid of the Poll Reference Bank giving (i) in respect of any Termination Costs that would be payable by the Issuer to the Counterparty, the highest calculation of the value of the Termination Costs in respect of the Related Agreement; and (ii) in respect of any Termination Costs that would be payable by the Counterparty to the Issuer, an amount equal to the product of (x)-1 and (y) the lowest calculation of the value of the Termination Costs in respect of the Related Agreement.
- (d) If no firm bids are obtained in respect of the Related Agreement then the Calculation Agent shall continue to attempt to conduct the TC Dealer Poll on each successive Business Day up to, and including, 11:00 a.m., London time on the Cut-off Date following which, if the Calculation Agent is still unable to

obtain firm bids for the Termination Costs in respect of the Related Agreement, the Counterparty may terminate the Related Agreement in accordance with its terms and determine the Termination Costs in its sole discretion.

- (e) If there is no Instructing Noteholder or the nominated Poll Reference Banks are not acceptable to the Counterparty, then the Calculation Agent shall conduct the TC Dealer Poll using such Poll Reference Banks that it determines in its sole discretion.

**"Underlying Assets Liquidation Proceeds"** means the aggregate proceeds of sale of any Sale BTPs and Remaining Underlying Assets on the relevant date, as determined by the Calculation Agent in accordance with the Underlying Asset Realisation Procedure.

**"Underlying Assets Realisation Procedure"** has the meaning given to it in paragraph 57(a) (*Final Redemption Amount*).

**"Unwind Costs"** means, any fees, costs, charges, expenses and liabilities of the Trustee, Appointed Agents and any other creditors to the Issuer, plus (i) in the case of Notes for which Physical Delivery does not apply (or, Notes for which Physical Delivery does apply but for which a Physical Delivery Exception also applies), any associated legal costs and any costs of the Calculation Agent associated with the liquidation of the Underlying Asset (whether the Underlying Assets are actually liquidated or not), as determined by the Calculation Agent in good faith and (ii) in the case of Notes for which Physical Delivery applies (and, for which no Physical Delivery Exception applies), the Delivery Expenses (if any).

## **C FORM, DENOMINATION AND TITLE**

26	Form of the Notes	Bearer Notes
27	Authorised Denomination(s)	The Notes shall be issued in Authorised Denomination of €100,000

## **D STATUS OF THE NOTES**

28	Provisions relating to Prioritised Tranches of Notes	Not Applicable
29	Pre-enforcement Waterfall	As set out in (i) to (vii) of paragraph 37

## **E SECURITY**

30	Underlying Assets	As at the Issue Date, €29,157,000 in principal amount of Buoni Poliennali Del Tesoro sovereign bonds (" <b>BTPs</b> ") issued by the Republic of Italy due 15 September 2026 (ISIN IT0004735152) (the " <b>Initial Underlying Assets</b> "), and in respect of each subsequent day during the term of the Notes, " <b>Underlying Assets</b> " means the (i) Initial Underlying Assets (ii) less any BTPs initially comprising the Initial Underling Assets
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which have been transferred by the Issuer to the Counterparty pursuant to the terms of the Credit Support Annex (which for the avoidance of doubt, may comprise all the BTPs), (iii) together with any other cash, securities or assets then held by the Issuer received by the Issuer from the Counterparty relating to the Notes which have been delivered on the Issuer's behalf to the Custodian or credited to the Issuer's Account, including any Eligible Credit Support transferred to the Issuer pursuant to the Credit Support Annex time to time.

The BTPs are listed on the Borsa Italiana S.p.A. (M.O.T.) and traded on the electronic system of Mercato Secondario dei Titoli di Stato (M.T.S.). Application may also be made to list the Bonds on other stock exchanges.

*Source: Offering circular of the Initial Underlying Assets dated 8 June 2011 describing the terms and conditions of the issuance of the Initial Underlying Assets (the "Initial Underlying Assets Documentation"). Available for inspection at the offices of the Agent being Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London, EC2N 2DB and/or through Bloomberg®.*

The Notes are secured on the Underlying Assets, the Related Agreement (including any Replacement Agreement) and the Account, as more particularly set out in the Supplemental Trust Deed.

On the Issue Date, the Issuer will apply the proceeds of the issue of the Notes to purchase the Initial Underlying Assets pursuant to the Initial Underlying Assets Purchase Agreement.

31	Additional Security	Not Applicable
32	Security Documents	Not Applicable
33	Additional Secured Parties	Not Applicable
34	Underlying Assets not held by the	Not Applicable

	Custodian	
35	Circumstances in which Issuer is required to appoint replacement Custodian	Applicable subject to and in accordance with Clause 6.1 of the Supplemental Trust Deed.
36	Order of Priority	<p>The order of priority in which the net proceeds of enforcement of the security over the Charged Property is payable, is to be applied is as follows:</p> <ul style="list-style-type: none"> <li>(i) first, in or towards payment on a <i>pro rata</i> and <i>pari passu</i> basis of all fees, costs, charges, expenses and liabilities of the Trustee or any receiver of the Trustee;</li> <li>(ii) secondly, in or towards payment of all taxes due and owing by the sums to any tax authority in so far as they relate to the Notes;</li> <li>(iii) thirdly, in or towards payment on a <i>pro rata</i> and <i>pari passu</i> basis of all fees and expenses of the Appointed Agents and the Custodian together, in each case with interest, VAT and other tax payable in respect of such amounts;</li> <li>(iv) fourthly, in or towards payment of all present and future sums amounts payable to the Counterparty under the Related Agreement;</li> <li>(v) fifthly, in or towards payment on a <i>pro rata</i> and <i>pari passu</i> basis of interest due or overdue and payable on the Notes;</li> <li>(vi) sixthly, in or towards payment on a <i>pro rata</i> and <i>pari passu</i> basis of principal due or overdue and payable on the Notes; and</li> <li>(vii) seventhly, any surplus (if any) after payment in full of all amounts referred to above shall be paid to or to the order of the Issuer.</li> </ul>
37	Principal Terms of Related Agreement(s)/Repurchase	Pursuant to the terms of the Related Agreement the Issuer has agreed to pay to

Agreements/the Credit Support  
Document(s)

the Counterparty (i) an amount equal to the interest amount payable under the Initial Underlying Assets on each date on which such interest falls due and (ii) on 15 September 2026 an amount in Euro equal to the redemption proceeds payable in respect of the Initial Underlying Assets on their scheduled maturity date.

In exchange, pursuant to the terms of the Related Agreement the Counterparty has agreed to pay to the Issuer (i) an amount equal to the product of (A) €25,000,000, (B) a fixed interest rate of 7.0324% per cent. per annum and (C) a day count fraction of 30/360, payable semi-annually on 17 March and 17 September of each year (subject to adjustments as provided therein), commencing on, and including, 17 March 2012 to, and including, 17 September 2026 and (ii) an amount equal to €25,000,000 on 17 September 2026.

The Related Agreement terminates on 17 September 2026, unless terminated earlier in accordance with the terms of the Related Agreement.

The Related Agreement is governed by and construed in accordance with English law.

The Related Agreement may be terminated early, (either in whole or, in certain circumstances, in part only) among other circumstances:

- (i) at the option of one party, if there is a failure by the other party to pay any amounts due under the Related Agreement;
- (ii) if (subject as provided in the Related Agreement) withholding taxes are imposed on payments made by the Issuer or the Counterparty under the Related Agreement or it becomes illegal for either party to perform its obligations under the Related Agreement; and



- (iii) upon the occurrence of certain other events with respect to either party to the Related Agreement, including, without limitation, insolvency,

provided, however, that the Counterparty has agreed in the Related Agreement to comply with the Termination Cost Realisation Procedure set out herein to the extent such procedure is applicable.

Upon any such early termination of the Related Agreement and the application of the Termination Cost Realisation Procedure, the Counterparty may be liable to make a termination payment to the Issuer and/or the Issuer may be liable to make a termination payment to the Counterparty.

The form of the Confirmation is set out in Appendix 1 to the Issuance Document.

38	Additional Transaction Creditors and Transaction Documents	Not Applicable
39	Details of Asset Manager and Asset Management Agreement (if any)	Not Applicable
40	Substitution of Underlying Assets	Not Applicable
41	Person (if any) who may direct the Issuer as to exercise of rights in respect of Underlying Assets (Clause 6.6 of the Principal Trust Deed)	The Controlling Party
42	Instructing Creditors	

For the purposes of the Conditions, the Instructing Creditor shall be the party set out opposite the Condition below.

<b>Condition</b>	<b>Instructing Creditor</b>
Condition 1(a) (Definitions) - Definition of Account Bank	Counterparty
Condition 5(a) (Security)	Counterparty
Condition 5(f) (Substitution of Underlying Assets)	Not Applicable
Condition 5(g) (Exercise of Rights in respect of Charged Property)	Counterparty

	Paragraph (vii) of Condition 6(a) (Covenants of the Issuer)	Counterparty
	Condition 6(b) (Restrictions on the Issuer)	Counterparty
	Condition 7(g) (Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts and Instalment Amounts)	Counterparty
	Condition 8(m) (Purchases)	Counterparty
	Condition 10 (Taxation)	Counterparty
	Condition 12(a) (Events of Default)	Counterparty
	Paragraph (ii) (Breach of Other Obligations) of Condition 12(a) (Events of Default)	Counterparty
	Paragraph (iv) (Insolvency Proceedings) of Condition 12(a) (Events of Default)	Counterparty
	Condition 13 (Enforcement)	Counterparty
	Condition 14(b) (Modification and Waiver)	Counterparty
	Condition 14(c) (Substitution)	Counterparty
	For the purposes of the Custody Agreement the Issuer may not consent to a change in the identity of the Custodian without the approval of	Counterparty
43	Account Bank	The Royal Bank of Scotland plc of 135 Bishopsgate, London EC2M 3UR
44	Account:  The Royal Bank of Scotland plc, in the name of Lunar Funding V PLC	Identification:  Institution: RBOSGB2L, A/c with Institution: RBOSGB2RTCM IBAN: GB72RBOS16106510010143; A/c name: Lunar Funding V plc, A/c#: LUNFUNV EUR1 (Reference: Lunar V Series 2011-81) or such other account as may replace such account from time to time and be notified to the Trustee
45	Regulation of Payment Flows in and	Not Applicable

out of the Accounts

## **F COVENANTS AND RESTRICTIONS**

46	Additional Covenants	<p>(i) As more fully described in the Trust Deed, for so long as any of the Notes remain outstanding, the Issuer will at all times procure that the Charged Property relating to the Notes and the proceeds thereof are at all times distinguishable from the Charged Property relating to each other Series of Notes and from the other assets of the Issuer (and their respective proceeds).</p> <p>(ii) The Issuer hereby covenants to comply with the Termination Costs Realisation Procedure and Replacement Option set out herein.</p>
47	Additional Restrictions	Not Applicable

## **G INTEREST AND OTHER CALCULATIONS**

48	Fixed Rate Note Provisions	Applicable
	(a) Rate of Interest	7.00 per cent. per annum payable semi-annually on each Interest Payment Date
	(b) Interest Payment Date(s)	17 March and 17 September of each calendar year commencing from, and including, 17 March 2012, provided that (i) the final Interest Payment Date shall be the Maturity Date; (ii) in the event of the occurrence of a Mandatory Redemption Event, interest shall cease to accrue from, and including, the date on which such Mandatory Redemption Event occurs, and (iii) each as subject to adjustment in accordance with the Business Day Convention.
	(c) Initial Broken Amount payable on first Interest Payment Date	EUR 865,277.78
49	Floating Rate Note Provisions	Not Applicable
50	Zero Coupon Note Provisions	Not Applicable
51	Variable Coupon Amount Note Provisions	Not Applicable

52 Calculation of Interest

- (a) Day Count Fraction 30/360 (Adjusted)
- (b) Business Day Convention As defined in paragraph 25 (*Additional defined terms*) above.

**H REDEMPTION, PURCHASE AND OPTIONS**

- 53 (a) Final Redemption Amount Unless previously redeemed as a result of the occurrence of (i) a Mandatory Redemption Event, (ii) an Event of Default or (iii) a Redemption for Taxation Reason under paragraph 56 (*Redemption for Taxation Reasons*), in respect of each Note, the Final Redemption Amount is an amount per Note, as determined by the Calculation Agent, equal to such Note's *pro rata* portion of:

- (i) the Principal Amount of the Notes , provided that if the Initial Underlying Assets have not been redeemed in full as at the Initial Underlying Assets Maturity Date (a "**Delayed Redemption Event**") the Calculation Agent on behalf of the Issuer shall deliver a written notice to the Noteholders in accordance with Condition 17 (*Notices*) (the "**Delayed Redemption Notice**") of the occurrence of a Delayed Redemption Event. Upon receipt of a Delayed Redemption Notice each Noteholder may deliver to the Issuer a valid Asset Transfer Notice by the Cut-off Date and, (provided that no Physical Delivery Exception has occurred in respect of such Noteholder) the Issuer shall ensure delivery of a *pro rata* portion of the Initial Underlying Assets to, or to the order of, such Noteholder in accordance with the provisions set out at paragraph 77(A) (*Physical Delivery*) below; plus
- (ii) any cash balance standing to the credit of the Account (which, for the avoidance of doubt will include any cash returned to the Issuer pursuant to the terms of the Credit Support

Annex).

**"Physical Delivery Exception"** means in respect of a Noteholder the Calculation Agent determines as at the Cut-off Date: (a) the Issuer has not received a valid Asset Transfer Notice from such Noteholder by the Cut-off Date; (b) it is impossible, impractical or illegal for the Issuer to deliver the relevant proportion of the Underlying Assets to a Noteholder, or (c) such Noteholder has not, as at the Cut-off Date, either (i) paid to the Issuer its *pro rata* portion of all Unwind Costs and Termination Costs payable by the Issuer to the Counterparty (if any); or (ii) delivered an irrevocable payment instruction in favour of the Issuer to pay its *pro rata* portion of Unwind Costs and Termination Costs (if any) owed by the Issuer to the Counterparty on the second Business Day following the date of the delivery of its Asset Transfer Notice.

In the event that a Physical Delivery Exception is applicable in respect of a Noteholder pursuant to this paragraph 53(a), then in each case, each Note of such Noteholder will be redeemed at its Early Redemption Amount on the Early Redemption Date.

	(b) Maximum /Minimum Redemption Amount (if applicable)	Not Applicable
54	Redemption by Instalments	Not Applicable
55	Mandatory Redemption Events	
	Mandatory Redemption Events to apply:	
	(a) Underlying Asset Payment Default	Applicable, provided that the definition of "Underlying Asset Payment Default" at Condition 8(c)(i) shall be amended by inserting the words "subject to the occurrence of a Delayed Redemption Event, as determined by the Calculation Agent" at the beginning of such paragraph.
	(b) Underlying Asset Acceleration Applicable	Applicable

	(c) Related Agreement Termination	Applicable, provided that if the Counterparty is the Defaulted Counterparty under and in respect of the Related Agreement and the Instructing Noteholder validly exercises the Replacement Option in accordance with paragraph 77(B) below, then the provisions of "Replacement Option" as set out in paragraph 77(B) shall apply and upon a Replacement Agreement being entered into by the Issuer, the Related Agreement Termination shall not constitute a Mandatory Redemption Event.
	(d) Repurchase Agreement Termination	Not Applicable
	(e) Credit Event	Not Applicable
	(f) Tax Event	Applicable
	(g) Additional Mandatory Redemption Events	Trigger Event, where " <b>Trigger Event</b> " is defined in paragraph 77(D) below.
	(h) Notes to be redeemed in part	Not Applicable
	(i) Early Redemption Date	As defined in paragraph 25 ( <i>Additional defined terms</i> ) above.
56	Redemption for Taxation Reasons	
	(a) Redemption for Taxation Reasons	Applicable. Condition 8(d) shall apply.
	(b) Redemption for Taxation Reasons permitted on days other than Interest Payment Dates	Yes
57	Liquidation of Assets upon Redemption of Notes	
	(a) Arrangements for liquidation of assets in addition to the provisions of Condition 8(e) (if any)	Notwithstanding Condition 8(e), in the event that any net proceeds of sale are to be determined in respect of any Underlying Assets, such Underlying Assets shall be realised in accordance with the following procedure (the " <b>Underlying Assets Realisation Procedure</b> "). To the extent that the Underlying Assets on the relevant date include a class or series of securities in addition to BTPs (such securities together with the Sale BTPs, referred to herein as " <b>Remaining Underlying Assets</b> " and each a

“**Remaining Underlying Asset**”), the Underlying Assets Realisation Procedure shall be applied separately with respect to each such Remaining Underlying Asset. Accordingly, the bid prices obtained for each of the Remaining Underlying Assets including the Sale BTPs may be different, where:

“**Sale BTPs**” means such portion of the Initial Underlying Assets held by the Issuer as at the Cut-off Date which the Calculation Agent determines are not required to be physically delivered to the Noteholder(s) pursuant to paragraph 77(A). For the avoidance of doubt, in respect of any Remaining Underlying Assets other than the BTPs, 100 per cent. of such Remaining Underlying Assets shall be subject to the Underlying Asset Realisation Procedure set forth herein.

In the event an Early Redemption Amount is payable in respect of the Notes, the Calculation Agent shall conduct a dealer poll (the “**Dealer Poll**”) of three Poll Reference Banks in order to obtain a bid price for the purchase of each of the Sale BTPs and the other Remaining Underlying Assets, if any, from each such Poll Reference Bank.

The Instructing Noteholder may nominate one Poll Reference Bank in respect of the Dealer Poll by giving written notice (in accordance with the provisions of Condition 17 (*Notices*)) to the Issuer and the Calculation Agent no later than two Business Days prior to the Cut-off Date and the Issuer (or the Calculation Agent on its behalf) may nominate a second Poll Reference Bank in respect of the Dealer Poll. The third Poll Reference Bank will be the Calculation Agent. The Dealer Poll will be subject to the following:

- (a) all Poll Reference Banks appointed in respect of the Dealer Poll must be acceptable to the Counterparty;
- (b) Poll Reference Banks appointed to calculate the Termination Costs in

respect of the Related Agreement (in accordance with the definitions of "Termination Costs" and "Termination Costs Realisation Procedure" set out at paragraph 25 (*Additional defined terms*) above) may or may not be the same as the Poll Reference Banks appointed in respect of the purchase of the Underlying Assets; and

- (c) notwithstanding the bid prices received from Poll Reference Banks for the purchase of the relevant Remaining Underlying Assets, the Instructing Noteholder may make a firm bid to purchase the relevant Remaining Underlying Asset at a price which is not less than the highest bid obtained in the Dealer Poll.

The Dealer Poll will be carried out at or about 11:00 a.m., London time on the Cut-off Date, with firm bids obtained by the Calculation Agent for value two Business Days thereafter.

Subject to sub-paragraph (c) above, once the firm bids of the Poll Reference Banks in respect of the relevant Remaining Underlying Assets, if any, are obtained by the Calculation Agent, the Issuer will accept the bid of the Poll Reference Bank giving the highest bid for the relevant Remaining Underlying Assets. Two Business Days following the acceptance by the Issuer of the highest bid for the relevant Remaining Underlying Assets, the Issuer will sell such Remaining Underlying Assets to such highest bidding Poll Reference Bank in respect of the relevant assets (or, as the case may be, the Instructing Noteholder).

On or prior to 5:00 p.m. London time on the Cut-off Date, the Issuer shall make available to each Noteholder details of the highest bid for the relevant Remaining Underlying Assets by delivering the relevant notice in accordance with Condition 17 (*Notices*). If, on the Cut-off Date, the Calculation Agent is unable to obtain firm bids for the relevant Remaining Underlying Assets, then the



Calculation Agent shall determine the Underlying Assets Liquidation Proceeds attributable to such relevant Remaining Underlying Asset in its sole discretion.

If there is no Instructing Noteholder or the nominated Poll Reference Banks are not acceptable to the Counterparty, then the Calculation Agent shall conduct the Dealer Poll using such Poll Reference Banks that it determines in its sole discretion.

- (b) Person responsible for liquidation of assets if other than Trustee
- The Calculation Agent, acting on behalf of the Issuer, is hereby authorised by the Issuer to arrange for, and shall arrange for, the liquidation of the Underlying Assets in accordance with the provisions of and in the circumstances contemplated in Condition 8(e) (*Realisation of Charged Property upon Redemption*) as amended and supplemented by this paragraph 57.

The Issuer shall, in accordance with the Custody Agreement, give such instructions to the Custodian as may be necessary or desirable to enable the Calculation Agent to effect a sale or other liquidation of Underlying Assets hereunder.

In acting under this paragraph and Condition 8(e) (*Realisation of Charged Property upon Redemption*), the Calculation Agent shall not be liable to account for anything except actual receipts from the sale or other liquidation of the Underlying Assets nor shall it be liable for any loss or damage arising from the sale or other liquidation of the Underlying Assets or any part thereof nor shall the Calculation Agent have any liability in respect of the price at which the sale or other liquidation is effected nor if the such entity is unable, for any reason, to effect such sale or other liquidation.

58 Forced Transfer or Redemption of Registered Notes

Not Applicable

59 Early Redemption Amount:

- (i) To the extent Physical Delivery does not apply to a Noteholder, or to the extent a Physical Delivery Exception applies to a Noteholder, an amount per

Note, as determined by the Calculation Agent in its reasonable discretion, equal to such Note's *pro rata* proportion of: (A) the net liquidation proceeds of the Sale BTPs, plus (B):

- (1) any amount equal to the Termination Costs which are payable by the Counterparty to the Issuer; minus
- (2) any amount equal to the Termination Costs which are payable by the Issuer to the Counterparty,

minus (C) such Note's *pro rata* proportion of any Unwind Costs,

plus (D) an amount equal to such Note's *pro rata* portion of the net liquidation proceeds of any Remaining Underlying Assets (other than the Sale BTPs); or

- (ii) to the extent Physical Delivery applies to a Noteholder, payment of the Early Redemption Amount to such Noteholder shall be satisfied by:

- (a) delivery by the Issuer to each relevant Noteholder of an amount per Note of the Initial Underlying Assets as determined by the Calculation Agent in its reasonable discretion, equal to such Note's *pro rata* proportion of such Initial Underlying Assets then held by the Issuer, rounded down to the nearest minimum transfer value of such Initial Underlying Asset;
- (b) delivery by the Issuer to each relevant Noteholder of an amount per Note equal to such Note's *pro rata* portion of any cash balance standing to the credit of the Account;

- (c) distribution by the Issuer to each relevant Noteholder of an amount per Note equal to such Note's *pro rata* proportion of a cash amount (if any) (the "**Residual Cash Amount**") equal to the net liquidation proceeds received in respect of that fraction of the Initial Underlying Assets that was the subject of such rounding down referenced in sub-paragraph (a) above (in the event that such rounding down causes the amount of the relevant Initial Underlying Assets to be delivered to a Noteholder to become zero (0), the Issuer's obligation to deliver such Initial Underlying Assets pursuant to (a) above shall be deemed to be satisfied by transfer of a *pro rata* portion of the Residual Cash Amount in accordance with (c) herein); determined by the Calculation Agent in its sole discretion; and
- (d) transfer of an amount per Note equal to such Note's *pro rata* portion of the net liquidation proceeds of any Remaining Underlying Assets (other than the Sale BTPs); and
- (e) if applicable, an amount per Note equal to such Note's *pro rata* proportion of the distribution of any amount equal to the Termination Costs which are payable by the Counterparty to the Issuer,

subject to:

- (f) receipt by the Issuer of a payment by the relevant Noteholder in respect of each Note of any *pro rata* portion of all Unwind Costs and/or Termination Costs payable by

the Issuer to the Counterparty (if any) by the Cut-off Date; and

- (g) any transfer restrictions and/or minimum transfer amounts relating to such Initial Underlying Assets (as set out in the Initial Underlying Assets Documentation),

in each case in accordance with and subject to the provisions of paragraph 77(A) (*Physical Delivery*) below, such amount referred to in this subparagraph (ii) being the "**Physical Delivery Amount**".

60 Options in respect of the Notes Not Applicable

(a) Terms of option Not Applicable

(b) Partial exercise of option Not Applicable

61 Exercise of Noteholder's Option Not Applicable

(a) Noteholder's Option Period (if other than as set out in the Conditions) Not Applicable

62 Exercise of Issuer's Option Not Applicable

(a) Issuer's Option Period Not Applicable

63 Purchases Condition 8(m) applies.

64 Exchange Not Applicable

## **I PAYMENT AND TALONS**

65 Pre-Payment Date References to "Pre-Payment Date" in the Conditions means the date on which any payment of interest or principal becomes due in respect of the Notes.

66 Unmatured Coupons to become void upon early redemption Yes

67 Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity of each Talon (Bearer Notes) No

**J       EVENTS OF DEFAULT AND ENFORCEMENT**

68	Amendment to grace periods in paragraph (a) of Condition 12 (Events of Default)	None
69	Additional Events of Default	None
70	Additional Provisions relating to enforcement of Prioritised Tranches	None
71	Circumstances in which security will become enforceable under paragraph (b) of Condition 13 (Enforcement)	None
72	Other circumstances in which security to become enforceable	No additional circumstances

**K       MEETINGS OF NOTEHOLDERS**

73	Steps requiring approval by an Extraordinary Resolution of Noteholders to which the special quorum provisions apply	Not Applicable
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**L       CONFLICTS OF INTEREST AND PRIORITISED TRANCHES**

74	Trustee to have regard to interests of a Secured Party in preference to the Noteholders in the event of any conflict	Not Applicable
75	Additional provisions for Prioritised Tranches	Not Applicable

**M       FORM OF NOTES**

76	Exchange	
	(a) Notes to be represented on issue by	Temporary Global Note exchangeable for Permanent Global Note in accordance with its terms.
	(b) Details of how Global Certificates to be held	Not Applicable
	(c) Applicable TEFRA exemption	D Rules
	(d) Temporary Global Notes exchangeable for Definitive Bearer Notes	No
	(e) Permanent Global Note exchangeable for Definitive	Yes, in limited circumstances set out below.

## Bearer Notes

For the avoidance of doubt, notwithstanding any provisions of the Permanent Global Note, the Permanent Global Note shall only be exchangeable for Definitive Bearer Notes (i) where, if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System, any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so and no successor clearing system satisfactory to the Trustee is available or (ii) where an Event of Default has occurred and is continuing, and any other circumstances in which the Permanent Global Note may be exchangeable for Definitive Bearer Notes shall be disappplied.

(f) Investment letter required upon purchase of Restricted Notes Not Applicable

(g) New Global Note No

## N OTHER CONDITIONS

77 Details of any other additions or variations to the Conditions

### A. Physical Delivery of Initial Underlying Assets

(i) Upon the occurrence of a Mandatory Redemption Event or a Delayed Redemption Event, notice of such event shall be provided in accordance with paragraph 77(C) (*Mandatory Redemption Events*) (in the case of a Mandatory Redemption Event) or paragraph 53 (a)(i) (in the case of a Delayed Redemption Event). Upon receipt of such notice each Noteholder may elect for Physical Delivery to apply in respect of its holding of Notes, and, if such Noteholder elects so, such Noteholder shall complete an Asset Transfer Notice substantially in the form set out in Appendix 2 hereto (the "**Asset Transfer Notice**") and return such completed Asset Transfer Notice to the Issuer, the Calculation Agent and the Paying Agent on or prior to the Cut-off Date (a "**Physical**

**Delivery Event**"). Such Asset Transfer Notice shall contain: (i) irrevocable payment instructions from the relevant Noteholder in favour of the Issuer to pay its *pro rata* portion of Unwind Costs and Termination Costs (if any) owed by the Issuer to the Counterparty on the second Business Day following the date of delivery of such Asset Transfer Notice, (ii) account details for delivery to the relevant Noteholder of the Initial Underlying Assets, (iii) contact details (including a complete postal address and telephone number) for the relevant Noteholder and (iv) confirmation that the relevant Noteholder is not a "U.S. Person" for the purposes of the relevant United States securities regulations.

- (ii) If the Issuer receives a valid Asset Transfer Notice on or prior to the Cut-off Date and such Asset Transfer Notice complies with all requirements of the immediately preceding paragraph (i) and upon receipt by the Issuer from the relevant Noteholder of such Noteholder's *pro rata* proportion of all Unwind Costs or Termination Costs (if any) payable by the Issuer to the Counterparty from the relevant Noteholder, the Issuer will, on or prior to the Business Day which is five Business Days following the Cut-off Date (the "**Physical Delivery Date**") (subject to any restrictions on transfer applying to the Initial Underlying Assets) (A) deliver to such Noteholder an amount of Initial Underlying Assets as determined by the Calculation Agent in its reasonable discretion equal to such Noteholder's *pro rata* proportion of each Initial Underlying Asset then held by the Issuer rounded down to the nearest minimum transfer value of such Initial Underlying Asset; (B) such Noteholder's *pro rata* proportion of the cash balance standing to the credit of the Account;

(C) such Noteholder's *pro rata* proportion of the net liquidation proceeds of any Remaining Underlying Assets (other than the Sale BTPs); and (D) such Noteholder's *pro rata* proportion of the Residual Cash Amount (if any), provided that if a Physical Delivery Exception is applicable to one or more Noteholders, the Physical Redemption Date in respect of such Noteholder's Notes shall be the Early Redemption Date specified in paragraph (iii) below.

- (iii) In the event that a Physical Delivery Exception is applicable in respect of one or more Noteholders, the Notes held by such Noteholder(s) will be redeemed at the Early Redemption Amount on the Early Redemption Date in accordance with paragraph 53(a) (*Final Redemption Amount*) above.

## **B. Replacement Option**

In the event that a Mandatory Redemption Event occurs under Condition 8(c)(ii) (as amended by paragraph 55(c) above) as a result of the termination of the Related Agreement due to the Counterparty being the Defaulted Counterparty, the Instructing Noteholder may elect for the Issuer to enter into a Replacement Agreement with a Poll Reference Bank by delivering a replacement request notice (the "**Replacement Request Notice**") to each of the Issuer and the Calculation Agent by the date which is two Business Days following delivery of the Mandatory Redemption Event Notice (the "**Replacement Request Cut-off Date**").

If the Issuer receives a Replacement Request Notice from the Instructing Noteholder on or prior to the Replacement Request Cut-off Date, the Calculation Agent shall, on behalf of the Issuer, conduct a dealer poll of three Poll Reference Banks for the determination of the Termination Cost as set out in



paragraph 25 (*Additional defined terms*) above under the definitions of "Termination Cost" and "Termination Cost Realisation Procedure".

If, in accordance with the provisions of "Termination Cost Realisation Procedure" as set out in paragraph 25 (*Additional defined terms*) above:

- (i) the Issuer accepts the bid provided by The Royal Bank of Scotland plc, the Calculation Agent shall inform the Instructing Noteholder, and the Notes shall be subject to Mandatory Redemption, and shall be redeemed in accordance with the provisions of Mandatory Redemption Event as set out in paragraph 55 (*Mandatory Redemption Events*) above, provided that any references to "Cut-off Date" therein shall be replaced with "Delayed Cut-off Date"; or
- (ii) if the Issuer accepts the bid provided by a Poll Reference Bank other than The Royal Bank of Scotland plc, then the Issuer and the relevant Poll Reference Bank shall enter into an agreement in substantially the same form as the Related Agreement, and which replicates for the Issuer as closely as possible the economic equivalent of the Related Agreement immediately prior to its termination (the "**Replacement Agreement**"). In such circumstances:
  - (A) if the Termination Cost arising as a result of the early termination of the Related Agreement is payable by the Issuer to the Counterparty, then the Poll Reference Bank shall pay such Termination Cost to the Issuer, who shall in turn pay such Termination Cost to the Counterparty; and
  - (B) if the Termination Cost arising as a result of the early termination of the Related Agreement is payable by the Counterparty to the Issuer, the Issuer

shall (1) assign its claim against the Counterparty for the Termination Cost to the Poll Reference Bank (the value of which on the date of assignment shall be the "**Assigned Value**"), and (2) liquidate sufficient Underlying Assets to pay an amount equal to the Termination Cost less the Assigned Value to the Poll Reference Bank,

in each case, as soon as reasonably practicable and in any event no later than the date that falls on the tenth Business Day following the execution of the Replacement Agreement.

For the avoidance of doubt, if the Issuer does not receive a Replacement Request Notice from the Instructing Noteholder by the Replacement Request Cut-off Date, or if the Calculation Agent is unable to identify a Poll Reference Bank within the timeframes set out in this paragraph 77(B) to enter into a Replacement Agreement with the Issuer, then the Notes shall be redeemed in accordance with paragraph 55 (*Mandatory Redemption Event*) at their Early Redemption Amount provided that all references therein to "Cut off Date" shall be replaced with "Delayed Cut-off Date".

### **C. Mandatory Redemption Events**

The Calculation Agent shall notify the Issuer promptly upon its first becoming aware of the occurrence of a Mandatory Redemption Event by delivering a Mandatory Redemption Event Notice and following the delivery of such notice, the Calculation Agent shall, (on behalf of the Issuer), send a copy of the Mandatory Redemption Event Notice to the Trustee, the Custodian, the Counterparty and to the Noteholders in accordance with the provisions of Condition 17 (*Notice*).

### **D. Deleverage Event**

A "**Deleverage Event**" shall occur if the Calculation Agent determines that there has been an increase in the Required Collateral Amount due to the NAV being less than or equal to the Deleverage Trigger Amount. Any date on which such Deleverage Event occurs shall be the "**Deleverage Event Determination Date**".

Upon the occurrence of a Deleverage Event, an irrevocable written notice (the "**Deleverage Event Notice**") will be given by the Calculation Agent to the Issuer as soon as reasonably practicable on the Deleverage Event Determination Date. The Calculation Agent shall also, on behalf of the Issuer, provide each of the Trustee, the Custodian, the Counterparty and each Noteholder with copies of the Deleverage Event Notice as soon as reasonably practicable on such Deleverage Event Determination Date. For the purpose of delivery of the Deleverage Event Notice to the Noteholders, Condition 17 (*Notices*) shall apply. In addition, the Calculation Agent may, but is not obliged to, on behalf of the Issuer, provide the Deleverage Event Notice to the Noteholders at their respective addresses appearing on the most recent record kept by the Issuer as soon as reasonably practicable on such Deleverage Event Determination Date. The Calculation Agent shall not be liable to the Noteholders, or the Issuer, in respect of any failure to deliver, or delay in delivering, the Deleverage Event Notice in the manner set forth in the immediately preceding sentence. . The Deleverage Event Notice will state that, if the Additional Collateral Amount is greater than zero (0), a "**Trigger Event**" will be deemed to have occurred if the Issuer has not received payment in an amount equal to the Additional Collateral Amount before 3:00 p.m. London time on the 2nd Business Day following the Deleverage Event Determination Date. In the event that one or more Noteholders fails to satisfy its obligation to pay its *pro rata* share of the Additional Collateral Amount within the timeframe set out herein, then a Trigger

Event will be deemed to have occurred and (i) the Notes will be redeemed early at their Early Redemption Amount in accordance with paragraph 55 (*Mandatory Redemption Events*) and (ii) the Issuer shall, as soon as reasonably practicable, return the *pro rata* share of the Additional Collateral Amount that has been transferred by the other Noteholders, if any.

Where the Aggregate Collateral Amount exceeds the Required Collateral Amount for a period of 30 consecutive Business Days, then the Issuer shall pay to each Noteholder its *pro rata* share of the Collateral Return Amount on the second Business Day immediately following the expiry of the 30-Business Day period.

**"Additional Collateral Amount"** means an amount in Euro, determined by the Calculation Agent equal to the Required Collateral Amount minus the Aggregate Collateral Amount, provided that if such amount is less than the Minimum Transfer Amount, the Additional Collateral Amount will be deemed to be zero (0).

**"Aggregate Collateral Amount"** means (i) in respect of the Issue Date, zero (0), and (ii) in respect on each subsequent day, an amount in Euro equal to the aggregate of all Additional Collateral Amounts (and only the Additional Collateral Amounts) that have been transferred to or received into the Account on such date. For the avoidance of doubt, any Collateral Return Amount paid to the Noteholders shall be excluded from the calculation of the Aggregate Collateral Amount.

**"Collateral Return Amount"** means an amount in Euro equal to the greater of (i) the difference between the Aggregate Collateral Amount and the Required Collateral Amount provided that such difference is equal to or greater than the Minimum Transfer Amount and (ii) zero (0).

**"Deleverage Trigger Amount"** means, in respect of any day, an amount in Euro equal

to the product of (i) 15 per cent. and (ii) the Principal Amount.

**"IRS MTM"** means, in respect of any day, the mark-to-market value of the Related Agreement or Replacement Agreement, as the case may be (taking into account the operation of the Credit Support Annex) as determined by the Calculation Agent acting in a commercially reasonable manner, with any mark-to-market value in favour of the Issuer being expressed as a positive number and any mark-to-market value in favour of the Counterparty being expressed as a negative number.

**"Minimum Transfer Amount"** means in respect of any day, an amount in Euro equal to the product of (i) 5 per cent. and (ii) the Principal Amount.

**"NAV"** means, in respect of any day, an amount in Euro equal to the sum of (i) the then market value of the Underlying Assets and (ii) the IRS MTM, in each case as determined by the Calculation Agent acting in a commercially reasonable manner.

**"Required Collateral Amount"** means (i) in respect of any day on which the NAV is greater than the Deleverage Trigger Amount, zero (0); and (ii) in respect of any day on which the NAV is equal to or less than the Deleverage Trigger Amount, an amount in Euro equal to the product of (A) -1 and (B) the IRS MTM, subject always to a minimum of zero (0).

## **E. Underlying Asset Information**

Upon receipt of a written request from any Noteholder, the Issuer shall deliver to the Noteholder as soon as reasonably practicable after receipt thereof, any notice or other communication received by the Issuer as holder of the Underlying Asset, subject to any obligations of confidentiality that the Issuer may have in relation to such notices or communications.

## **F. Calculations**

For the purposes of calculating any amount payable or deliverable to any Noteholder, the number of Notes held by such Noteholder (and, if relevant, subject to the exercise of any option) shall be aggregated.

## **O PURCHASE AND SALE AND TRANSFER RESTRICTIONS**

78 Details of additional selling restrictions Not Applicable

## **P CLEARING AND SETTLEMENT**

79 Method of Issue Individual Dealer

80 Dealer's commission (if applicable) Not Applicable

81 Net price payable to Issuer €25,000,000

82 Settlement Delivery free of payment

83 Applicable Clearing System(s) Euroclear and Clearstream, Luxembourg

84 Common Code 067759397

85 ISIN XS0677593971

86 CUSIP Number Not Applicable

87 CINS Number Not Applicable

88 PORTAL symbol (if any) Not Applicable

89 Intended to be held in a manner which would allow Eurosystem eligibility (in respect of Lunar Funding V PLC only) No

## **Q RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Issuance Document.

.....  
(Authorised signatory)  
For and on behalf of  
**Lunar Funding V PLC**

## APPENDIX 1

### FORM OF SWAP CONFIRMATION

Date: 21 September 2011

To: Lunar Funding V PLC

From: The Royal Bank of Scotland plc

Re: Swap Transaction relating to Series 2011-81 €25,000,000 Limited Recourse Secured Asset-Backed Notes due 2026 (ISIN:XS0677593971) issued by Party B under its USD 10,000,000,000 Secured Asset Backed Medium Term Note Programme, as set out in the programme memorandum dated 14 December 2010 (the “**Notes**”).

Dear Sirs

The purpose of this communication (the “**Confirmation**”) is to confirm the terms and conditions of the transaction (the “**Transaction**”) entered into between us The Royal Bank of Scotland plc (“**Party A**”) and you Lunar Funding V PLC (“**Party B**”) on the Trade Date specified below. This Confirmation constitutes a “**Confirmation**” as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2006 ISDA Definitions (the “**2006 Definitions**” or “**Definitions**” as published by published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”)), are incorporated herein. In the event of any inconsistency between the Definitions and this Confirmation, this Confirmation will govern. For so long as Party B is Lunar Funding V PLC, terms used herein but not defined shall have the meaning given to them in the terms and conditions of the Notes as set forth in the Issuance Document dated 4 October 2011 in connection with the issuance of the Notes (the “**Conditions**”).

This Confirmation supplements, forms a part of, and is subject to, the ISDA Master Agreement and the Schedule thereto (together with the credit support annex to the Schedule thereto (the “**CSA**”)), each dated as of 21 September 2011, as amended and supplemented from time to time (the “**Agreement**”), between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

#### 1 General Terms of the Transaction

The general terms of each Transaction to which this Confirmation relates are as follows:

Trade Date:	7 September 2011
Effective Date:	21 September 2011
Calculation Agent:	Party A
Calculation Agent City:	London
Business Day:	London and TARGET Settlement Date,

where “**TARGET Settlement Date**” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system is open for settlement of payments in Euro.

Business Day Convention: Modified Following

Termination Date: 17 September 2026, subject to adjustment in accordance with the Business Day Convention.

**Initial Payment Amount:**

Initial Payment Amount Payer: Party A

Initial Payment Amount: EUR 24,000

Initial Payment Amount Payment Date: Effective Date

**Fixed Amounts:**

Fixed Rate Payer: Party A

Fixed Rate Payer Payment Dates: 17 March and 17 September in each calendar year, commencing on and including 17 March 2012 and ending on, and including, 17 September 2026, each as subject to adjustment in accordance with the Business Day Convention.

Fixed Rate Payer Notional Amount: EUR 25,000,000

Fixed Rate: 7.0324 per cent. per annum

Fixed Rate Day Count Fraction: 30/360

Initial Broken Amount payable on the first Fixed Rate Payer Payment Date: EUR 865,277.78

**Floating Amounts:**

Floating Rate Payer: Party B

Floating Rate Payer Payment Dates: 15 March and 15 September in each calendar year, commencing on, and including, 15 March 2012 and ending on and including, 15 September 2026.

Floating Rate Payer Notional Amount: EUR 29,157,000



Floating Amount:	An amount equal to the amount payable in respect of the Initial Underlying Assets on each Floating Rate Payer Payment Date in respect of a principal amount equal to the Floating Rate Payer Notional Amount
Floating Rate Day Count Fraction:	Act/Act
Reset Dates:	Each Floating Rate Payer Payment Date

**Final Exchange:**

Party A Final Exchange Date:	17 September 2026
Party B Final Exchange Date:	15 September 2026
Party A Final Exchange Amount:	(i) In the event of the occurrence of a Delayed Redemption Event, the Party A Final Exchange Amount payable on the Party A Final Exchange Date shall be zero (0), and (ii) otherwise, an amount equal to the outstanding Principal Amount of the Notes shall be payable by Party A on the Party A Final Exchange Date.
Party B Final Exchange Amount:	(i) In the event of the occurrence of a Delayed Redemption Event, the Party B Final Exchange Amount shall be zero (0), and (ii) otherwise, an amount equal to the principal proceeds of redemption of the Initial Underlying Assets payable on such Party B Final Exchange Date, excluding any amounts which represent interest on the Initial Underlying Assets.

To the extent that Party B is required to make a payment pursuant to the above, such payment shall be deemed paid and the payment obligation on Party B discharged to the extent that Party A has received an equivalent amount by means of a distribution arising from the Eligible Credit Support transferred to it by and held by Party B as at the date of such payment obligation.

**2 Office, Notice and Account Details:**

The Office of Party A for these Transactions is:	London
The Office of Party B for these Transactions is:	Dublin

Telephone, Telex and/or Facsimile Numbers and Contact Details for Notices:

Party A: The Royal Bank of Scotland plc  
135 Bishopsgate  
London EC2M 3UR

Telephone Number: + 44 (0)20 7085 3274 / +44 (0)20  
7678 4474

Facsimile Number: + 44 (0)20 7085 7984

Attention: Matthew Sykes/Repack Middle Office

Party B: Lunar Funding V PLC  
5 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

Telephone Number: +353 1 680 6000

Facsimile Number: +353 1 680 6050

Attention: The Directors

Account Details:

Account Details of Party A: Account Name: Royal Bank of Scotland,  
Correspondent Banking, London

Account Number: RBSFMLONEURC

Reference: Lunar Funding V plc Series 81

IBAN: GB81RBOS16107510000829

Account Details of Party B: Institution: RBOSGB2L

Account with Institution: RBOSGB2RTCM

IBAN: GB72RBOS16106510010143

Account Name: Lunar Funding V plc

Account Number: LUNFUNV EUR1

Reference: Lunar Funding V plc Series 81

### **3 Derivatives Contracts**

It is the intention of the parties that this Transaction be characterised as a derivative contract (and not a surety bond, guarantee, insurance contract or similar contract) for all legal, regulatory and tax purposes. Further, each of the parties shall treat this Transaction accordingly for all legal, regulatory and tax reporting purposes and each party waives any right to assert any claim or defence that is inconsistent with this intention of the parties.

### **4 Third Parties' Rights**

A person who is not a party to this Confirmation has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Confirmation, but this does not affect any right or remedy of a third party which exists or is available apart from this Act.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

Yours faithfully,

**THE ROYAL BANK OF SCOTLAND PLC**

**BY:**

**NAME:**

**TITLE:**

Confirmed as of the  
date first above written:

**LUNAR FUNDING V PLC**

**BY:**

**NAME:**

**TITLE:**

## APPENDIX 2

### FORM OF ASSET TRANSFER NOTICE

*When completed, this Asset Transfer Notice should be delivered (if the Note to which this Notice relates is represented by a Global Note) in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, (which is expected to be by authenticated SWIFT message or by tested telex) to Euroclear or Clearstream, Luxembourg (as applicable) with a copy to the Issuer, the Paying Agent and the Calculation Agent or (if the Note to which this Notice relates is in definitive bearer form) should be delivered in writing or by tested telex with the Note\* to any Paying Agent with a copy to the Issuer, as the case may be, in each case not later than the close of business in each place of reception on the Cut-Off Date.*

### ASSET TRANSFER NOTICE

#### THE ROYAL BANK OF SCOTLAND plc

**€25,000,000 Series 2011-81 Limited Recourse Secured Asset-Backed Note due 2026**  
**issued by Lunar Funding V PLC pursuant to the**  
**US\$10,000,000,000 Secured Asset-Backed Medium Term Note Programme**  
**of Lunar Funding I Limited, Lunar Funding III Limited,**  
**Lunar Funding IV Limited and Lunar Funding V PLC (ISIN: XS0677593971)**  
**(the "Notes")**

- |      |     |   |      |     |  |
|------|-----|---|------|-----|--|
| (1.) | To: | Lunar Funding V PLC (the<br>"Issuer")<br>5 Harbourmaster Place<br>International Financial Services<br>Centre<br>Dublin 1<br>Ireland<br><br>Fax: +353 1680 6050<br>Attention: The Directors                                    | (2.) | cc: | Deutsche Bank AG, London Branch<br>(the "Paying Agent")<br>Winchester House<br>London EC2N 2DB<br><br>Fax: + 44 (0) 20 7547 0916<br>Attention: Trust & Agency<br>Services                                      |
| (3.) | To: | [Euroclear Bank S.A./N.V.<br>(as operator of the Euroclear<br>System) ("Euroclear")<br>1 Boulevard du Roi Albert II<br>B-1210 Brussels<br>Belgium<br><br>Attention: Custody Processing<br>Department<br>Telex: 61025 MGTEC B] | (4.) | or: | [Clearstream Banking, société<br>anonyme ("Clearstream,<br>Luxembourg")<br>67 Boulevard Grande-Duchesse<br>Charlotte<br>Luxembourg-Ville<br>L-1010 Luxembourg<br><br>Attention: OCE Department<br>Telex: 2791] |
| (5.) | cc. | The Royal Bank of Scotland plc<br>(the "Calculation Agent")   |      |     |  |

135 Bishopsgate  
London EC2M 3UR

Fax: +44 20 7085 7984  
Attention: Matthew Sykes

- \* *The Paying Agent with whom any Notes in definitive form are deposited will not in any circumstances be liable to the depositing Noteholder or any other person for any loss or damage arising from any act, default or omission of such Paying Agent in relation to the said Notes in definitive form or any of them unless such loss or damage was caused by the fraud or negligence of such Paying Agent or its directors, officers or employees.*

Failure properly to complete and deliver this Notice (in the determination of [Euroclear/Clearstream, Luxembourg<sup>\*</sup>]/the relevant Paying Agent<sup>2</sup> or the Issuer) may result in this Notice being treated as null and void.

Expressions defined in the terms and conditions of the Notes as amended and/or supplemented by the Issuance Document dated 4 October 2011 in respect of the Notes (as may be amended from time to time) (the "**Issuance Document**") shall bear the same meanings herein.

[I/We<sup>\*</sup>], the [Accountholder<sup>1</sup>/Noteholder<sup>2</sup>] specified in 1 below, being the holder of the Notes, request that the Issuer deliver the Underlying Assets to which [I am/we are<sup>\*</sup>] entitled in relation to such Notes, all in accordance with the Conditions of the Notes.

[Insert Date]

PLEASE USE BLOCK CAPITALS

1.1 **Name(s) and Address(es) of [Accountholder<sup>1</sup>/Noteholder<sup>2</sup>]**

.....  
.....  
.....  
.....

1.2 **Details of person who may be contacted in relation to this Asset Transfer Notice:**

Name:.....

Telephone no:.....

Fax no:.....

e-mail:.....

1.3 **Noteholder Confirmation**

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\* Delete as appropriate

<sup>1</sup> Include if the Note to which this Notice relates is represented by a Global Note.

<sup>2</sup> Include if the Note to which this Notice relates is represented by a Note in definitive form.

[I/We\*] confirm that [Name of Noteholder] is as at the date hereof the holder of Notes in the aggregate principal amount of €[ ].

#### 1.4 Instructions to Euroclear/Clearstream, Luxembourg

[I/We\*] hereby irrevocably authorise and instruct [Euroclear/Clearstream, Luxembourg\*] to debit the Note(s) referred to above from [my/our\*] account at Euroclear/Clearstream, Luxembourg (the details of which are set out below) on or before the date of delivery of the relevant proportion of the Underlying Assets in accordance with the terms and conditions of the Notes as set out in the Issuance Document:

Account Number:.....

Account Name:.....

#### 1.5 Termination Costs and Unwind Costs

[I/We\*] hereby undertake to pay any *pro rata* portion of the Termination Costs (if any) payable by the Issuer to the Counterparty in respect of the Notes and all Unwind Costs in respect of the delivery of the relevant assets and undertake to indemnify any party against any such Unwind Costs or similar charges or expenses incurred by such party. [I/We\*] hereby irrevocably authorise [Euroclear/Clearstream, Luxembourg\*] to debit [my/our\*] account at [Euroclear/Clearstream, Luxembourg\*] specified above in respect thereof and to pay such Unwind Costs and Termination Costs]<sup>1</sup>.

#### 1.6 Certification

[I/We\*] the [Accountholder<sup>1</sup>/Noteholder<sup>2</sup>] specified in 1 above hereby certify that this Asset Transfer Notice is conclusive evidence of the holding of the Notes specified in 1.3 above and the Issuer is authorised to deliver the relevant proportion of the Underlying Assets in accordance with the instructions set out in this Asset Transfer Notice.

#### 1.7 U.S. Person certification

The undersigned hereby certifies that it is the beneficial owner of the Notes deposited herewith and is:

- (a) • a U.S. person (as defined in Regulation S under the Securities Act)
- (b) • not a U.S. person (as defined in Regulation S under the Securities Act)

By: .....  
[Name of Noteholder]

Date: .....

## DESCRIPTION OF THE COUNTERPARTY

The Royal Bank of Scotland plc (**RBS**) is a public limited company incorporated in Scotland with registration number SC090312 and was incorporated under Scots law on 31 October 1984. RBS is a wholly-owned subsidiary of the Royal Bank of Scotland Group plc (**RBSG**), which is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, the Group operates in the United Kingdom, the United States and internationally through its three principal subsidiaries, RBS, National Westminster Bank Plc (NatWest) and The Royal Bank of Scotland N.V. (**RBS N.V.**). Both RBS and NatWest are major United Kingdom clearing banks. RBS N.V. is a bank regulated by the Dutch Central Bank. In the United States, the Group's subsidiary Citizens Financial Group, Inc. is a large commercial banking organisation. Globally, the Group has a diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers.

### Assets, owners' equity and capital ratios

The Group had total assets of £1,446.0 billion and owners' equity of £74.7 billion as at 30 June 2011. As at 30 June 2011, the Group's capital ratios were a total capital ratio of 14.4 per cent., a Core Tier 1 capital ratio of 11.1 per cent. and a Tier 1 capital ratio of 13.5 per cent.

The Issuer Group had total assets of £1,299.7 billion and owners' equity of £56.9 billion as at 30 June 2011. As at 30 June 2011, the Issuer Group's capital ratios were a total capital ratio of 14.0 per cent., a Core Tier 1 capital ratio of 8.7 per cent. and a Tier 1 capital ratio of 10.6 per cent.

## **GENERAL INFORMATION**

### **1. Authorisations**

The issue of the Notes was authorised by a resolution of the Board of Directors of the Issuer on 21 September 2011.

The Issuer has obtained all other consents, approvals and authorisations (if any) which are necessary in Ireland at the date of this Issuance Document in connection with the issue and performance of the Notes.

### **2. Litigation**

There are no legal, governmental litigation 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 Issuance Document, a significant effect on the Issuer's financial position.

### **3. Documents Available For Inspection**

As long as the Note remains outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) in physical form for inspection at (and, in the case of the term referred to in paragraph (c), collection from) the registered office of the Issuer and the specified office of the Paying Agents for the time being in London and Ireland:

- (a) the Programme Memorandum;
- (b) this document;
- (c) the Trust Deed;
- (d) the Agency Agreement;
- (e) the Dealer Agreement;
- (f) the Memorandum and Articles of Association of the Issuer;
- (g) the Management Agreement relating to the Issuer;
- (h) the Custody Agreement
- (i) the Related Agreement;
- (j) the financial statements of the Issuer for the period ending 31 December 2010; and
- (k) any other documents referred to in this document as being available for inspection.

### **4. Legend**

Each Temporary Global Note, Permanent Global Note, Definitive Bearer Note and Coupon will bear a legend to the effect that any US person holding the same will be subject to limitations under the United States income tax laws including those under Sections 165(j) and 1287(a) of the United States Internal Revenue Code.



## **5. Significant Change**

Save as disclosed herein, there has been no significant change in the trading position or financial position or prospects of the Issuer since the date of the Issuer's published audited financial statement.

## **6. Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and ISIN for the Notes allocated by Euroclear and Clearstream, Luxembourg are specified in this Issuance Document.

## **7. Form of Notes**

The Bearer Notes will initially be represented by a Temporary Global Note which will be deposited with a common depositary, or as the case may be a Common Safekeeper, on the date hereof on behalf of Euroclear or Clearstream, Luxembourg and interests therein will be credited to the accounts of the Noteholders with Euroclear and/or Clearstream, Luxembourg. Interests in the Temporary Global Note will be exchangeable (a) for interests in a Permanent Global Note not earlier than 40 days after the completion of distribution of the Notes and upon certification as to non-US beneficial ownership and (b) for Definitive Bearer Notes in the limited circumstances set out therein.

## **8. Estimated Listing Expenses**

The estimated total expenses of admission to trading of the Notes on the Irish Stock Exchange are €2,532.40.

## **9. Post-Issuance Reporting**

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

**ISSUER**

**LUNAR FUNDING V PLC**  
5 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

**TRUSTEE**

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

**CUSTODIAN**

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

**ISSUING AND PAYING AGENT**

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

**LEGAL ADVISERS**

to the Dealer  
as to English law  
**LINKLATERS LLP**  
1 Silk Street  
London EC2Y 8HQ

to the Issuer as to Irish law  
**A&L GOODBODY**  
International Financial Services Centre  
North Wall Quay  
Dublin 1, Ireland

**LISTING AGENT**

**A&L LISTING**  
International Financial Services Centre  
Dublin 1  
Ireland

**DEALER**

**THE ROYAL BANK OF SCOTLAND PLC**  
135 Bishopsgate  
London EC2M 3UR