

3 October 2011

Issuer: SIGNUM FINANCE II PLC

“MAJOR”

**Multi-Jurisdiction Repackaging Note
Programme**

arranged by

Goldman Sachs International

PROSPECTUS

Series: 2011-01

EUR 150,000,000 Notes Linked to BTPei 2041 Inflation Linked Bonds due 2041



Goldman Sachs International

Prospectus: *This Prospectus relates to an issue of Notes by the Issuer described in the Additional Conditions set out below pursuant to the "MAJOR" Multi-Jurisdiction Repackaging Note Programme that the Issuer established on the Programme Date. This Prospectus should be read in conjunction with the Base Prospectus referred to in the Issuer's Programme Deed. This Prospectus 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 Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.*

Ratings: *Other than where expressly stated otherwise, the credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "**CRA Regulation**") as having been issued by Fitch Ratings Ltd., Moody's Investors Service, Inc. and Standard & Poor's Ratings Service, a Division of the McGraw Hill Companies, Inc., each of which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such applications has not yet been determined.*

Responsibility: *The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the Issuer's knowledge and belief, the information contained in the Authorised Offering Material is in accordance with the facts and does not omit anything likely to affect the import of such information.*

Issuer Not Regulated: *The Issuer is not, and will not be, regulated by the Central Bank of Ireland by virtue of issuing the Notes. An investment in the Notes does not have the status of a bank deposit and will not be within the scope of the deposit protection scheme operated by the Central Bank of Ireland.*

Representations: *No person has been authorised to give any information or to make any representation in connection with the issue or sale of the Notes other than those contained in the Authorised Offering Material and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Arranger or any Dealer.*

Change of Circumstances: *The delivery of this Prospectus will not, under any circumstances, imply (i) the absence of a change in the affairs of the Issuer since the date hereof or (ii) that there has been no adverse change in the financial position of the Issuer since the date thereof or (iii) that any other information supplied in connection with the Programme is correct as of any date subsequent to the date hereof.*

No Offer: *The Authorised Offering Material does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.*

Restriction on Distribution: *The distribution of the Authorised Offering Material and the offering or sale of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the Securities Act and may be in bearer form and therefore subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.*

Need for Independent Analysis: *Prospective Noteholders should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Notes, as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Purchasers of Notes should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information*

contained in this Prospectus and the merits and risks of investing in the Notes in the context of their financial position and circumstances. Prospective Noteholders should have regard to the factors described under the section headed "Risk Factors" in this Prospectus. This Prospectus does not describe all of the risks of an investment in the Notes. Neither this Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Prospectus or any other financial statements should purchase the Notes. To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made, by the Arranger or Dealer or on its behalf in connection with the Issuer or the issue and the offering of the Notes. The Arranger and each Dealer accordingly disclaim all and any liability whether in tort or in contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. Neither the Arranger nor any Dealer undertakes to review the financial condition or affairs of the Issuer or provide information in respect of the Assets during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger or any such Dealer.

Deemed Representation: Each purchaser, each subsequent transferee and each person directing such purchaser or subsequent transferee to acquire notes, by its purchase or other acquisition of the notes, is deemed to represent and warrant (which representation and warranty will be deemed to be repeated on each date on which the notes are held by such purchaser or subsequent transferee, as the case may be), that the funds the purchaser or subsequent transferee is using to acquire and hold the notes are not the assets of an employee benefit or other plan subject to Part IV of Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan described in Section 4975 of the Internal Revenue Code of 1986, as amended, or an entity whose underlying assets include "plan assets" by reason of Department of Labor regulation section 2510.3-101 (as modified by Section 3(42) of ERISA) or otherwise.

Suitability of Investment: The Notes are only suitable for sophisticated investors who are capable of understanding the risks involved. Prospective Noteholders must obtain such advice as they deem necessary from their own advisors as to the risks and merits of purchasing Notes and of any regulatory, accounting and/or tax consequences thereof. Neither the Arranger nor the Dealer is providing investment, regulatory, accounting, or tax advice to any Noteholder or prospective Noteholder.

Public Information: Information relating to the Swap Counterparty, the Swap Guarantor, the Assets and the Asset Issuer has been accurately reproduced from information published by the Swap Counterparty, the Swap Guarantor and the Asset Issuer. So far as the Issuer is aware and is able to ascertain from information published by the Swap Counterparty, the Asset Issuer and the Swap Guarantor, no facts have been omitted that would render the reproduced information inaccurate or misleading. Except where such information relates to itself, neither the Issuer nor any Transaction Counterparty has conducted any due diligence on this information, nor made any enquiries as to its own possession of non-publicly available information.

Transaction Counterparties: The Transaction Counterparties and their affiliates may have access to non-publicly available information. None of the Transaction Counterparties 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.

Listing: 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.

Governing Law: The Notes and the Swap Agreement are governed by English law and the Swap Guarantee is governed by New York law. Subsequent judicial decisions or changes to English or New York law after the Issue Date may alter Noteholders' rights and obligations.

Performance is Not Guaranteed: Many factors influence the Notes' performance and none of the Transaction Counterparties guarantee that Noteholders will receive any principal or interest amount in respect of the Notes. The Notes' performance may not compare favourably with interest rates on deposits prevailing between the Issue Date and maturity or redemption. The Notes' market value may be influenced by factors including but not limited to (i) the price and volatility of the Assets; (ii) the Issuer's and Swap Guarantor's creditworthiness; (iii) interest rates; (iv) currency exchange rates; (v) time remaining to maturity; (vi) nature and liquidity of any hedge positions; (vii) nature and liquidity of any embedded derivatives; (viii) market perception; (ix) general economic and financial conditions; and (x) the occurrence of market disruption, among other factors.

Neither Goldman Sachs & Co. nor any of its affiliates make any representation or warranty, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes.

Defined Terms: Unless otherwise defined, capitalised terms have the same meanings as set out in the Base Conditions.

Documents Incorporated by Reference: This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section headed "Documents Incorporated by Reference").

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Risk Factors

Before making an investment decision, prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Base Prospectus. Prospective Noteholders should have regard to the factors described under the section headed "Risk Factors" in the Base Prospectus. In addition, prospective Noteholders should have regard to the Additional Risk Factors set out below.

Agents may be replaced following an Agent Replacement Event

Following an Agent Replacement Event, the Calculation Agent and the Authorised Representative may nominate a replacement agent to be appointed by the Issuer as an Agent Replacement. The Calculation Agent is also the Calculation Agent with respect to the Swap and the Valuation Agent with respect to the CSA. Noteholders should be aware that following the date of this Prospectus, Goldman Sachs International may have been replaced as Calculation Agent, Valuation Agent or Disposal Agent following an Agent Replacement Event.

Amounts payable to Noteholders are subject to prior ranking claims

Moneys may be deducted from amounts otherwise payable to Noteholders to meet the expenses and other claims of prior ranking creditors of the Issuer, which shall include the Trustee and the Secured Agents.

Exposure to price risk and credit risk of the Assets

Investors in the Notes are exposed to the price risk of the Assets if the Notes are redeemed early. If the Notes are redeemed early for any reason, the Assets will be sold and the proceeds of sale will be used to calculate the Mandatory Redemption Amount. If the Assets are sold at a price lower than their principal amount for any reason, it is likely that Noteholders will receive less than the outstanding principal amount of their Notes. The Assets may comprise a large portion of the total amount of such assets outstanding in the market and as such, they may be subject to very limited liquidity. Limited liquidity in relation to the Assets may result in a lower market or sale value. Investors in the Notes are also exposed to the credit risk of the issuer of the Assets from time to time because a reduction in the creditworthiness of the issuer of the Assets is likely to result in a lower market or sale value of the Assets and a default on the Assets by the issuer thereof may result in the early redemption of the Notes.

The market value of your Notes may be influenced by many factors that are unpredictable

When we refer to the market value of your Notes, we mean the value that you could receive for your Notes if you chose to sell them in the open market before the Maturity Date. The market value of your Notes will be affected by many factors that are beyond our control and are unpredictable. Moreover, these factors interrelate in complex ways, and the effect of one factor on the market value of your Notes may offset or enhance the effect of another factor.

As Calculation Agent, the Swap Counterparty (or, after an Agent Replacement, the Nominated Replacement Agent) will have discretion in making various determinations that could affect the market value of your Notes under certain circumstances

In its capacity as Calculation Agent, the Swap Counterparty (or, after an Agent Replacement with respect to the Calculation Agent, the Nominated Replacement Agent) will also determine, among other things, the Interest Amount, certain specifics associated with the Mandatory Redemption Events and various amounts and events under the Swap.

The exercise of this discretion by the Calculation Agent could adversely affect the value of your Notes and may (while the Calculation Agent is the Swap Counterparty) present the Swap Counterparty with a conflict of interest of the kind described above under "Conflict of Interest; No Reliance".

The Notes are not principal protected

These Notes are not principal protected. There is a risk that an investor's loss could equal the entire notional amount invested.

Exposure to credit risk of the Swap Counterparty and the Swap Guarantor

The ability of the Issuer to meet its obligations under the Notes will depend on the receipt by it of payments of interest and principal owed to the Issuer by the Swap Counterparty. Consequently, the Noteholders are exposed not only to the performance of the Assets, but also to the ability of the Swap Guarantor and the Swap Counterparty to perform their obligations to make payments to the Issuer.

The Swap Guarantor is currently assigned an A1 rating by Moody's Investors Service, Inc. and an A rating by Standard & Poor's Ratings Service, a Division of The McGraw-Hill Companies, Inc., for its long-term unsecured senior debt. Should the Swap Guarantor become insolvent, the Issuer would rank as an unsecured creditor in relation to amounts due from the Swap Counterparty and the Swap Guarantor.

Volatility of the Notes

The Notes should be considered as highly volatile. Volatility refers to the degree of unpredictable change over time of certain variables such as the price, performance or investment return of a financial asset. It does not imply direction of the price or investment returns. An instrument that is more volatile is likely to increase or decrease in value more often and/or to a greater extent than one that is less volatile. Volatility may affect the return and/or the value of the Notes.

Combining investment types

The Notes have some or all of the characteristics of debt and derivatives instruments. These elements could interact to produce both an enhanced possibility of total loss of the initial investment. The warnings contained in the Prospectus regarding the description of the underlying risk of the individual components should be read with attention.

Tax events

In certain circumstances, the Issuer may be liable to pay additional amounts under the Notes in order to gross up for withholding taxes arising as a result of the residency of a Noteholder in the Republic of Italy and the Swap Counterparty will fund any such additional amounts under the Swap. The payment of any such amounts would be for the benefit of the relevant Noteholder that would otherwise receive net of any such applicable taxes. However, deductions will be made from amounts of Interest payable on all of the Notes (including Notes held by Noteholders not subject to such withholding or deduction and subsequent purchasers of Notes) in respect of such gross up payments.

Early Redemption risk

The Issuer will redeem the Notes in whole prior to the Scheduled Maturity Date upon the occurrence of a Mandatory Redemption Event, except where such Mandatory Redemption Event is an Asset Event in which case (subject to the Noteholders' option to substitute alternative assets) the Issuer shall redeem the Notes in part in principal amount equal to the principal amount of the

Assets in respect of which the Asset Event has occurred. The Mandatory Redemption Amount may be less than the Redemption Amount.

Notional/Principal Increase

The Issuer may from time to time issue further fungible notes (the "**Fungible Notes**") to form a single series with the Notes without the consent of the holders of the Notes. Following such further Fungible Notes issue, the exercise of any option requiring the consent of 100 per cent. of the Noteholders will require the unanimous consent of the holders of all Notes forming a single series (i.e. the unanimous consent of the holders of the Notes issued on the Issue Date and the holders of any Fungible Notes).

Independent review and advice

Each prospective purchaser of the Notes must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness) of the Issuer, the Swap Counterparty, the Swap Guarantor and the Asset Issuer and after obtaining such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment in the Notes is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Notes (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. None of the Issuer, the Trustee, the Dealer or any of their respective affiliates is acting as an investment adviser, or assumes any fiduciary obligation, to any purchaser of Notes.

This Prospectus is not intended to provide the basis of any credit or other evaluation nor should be considered as a recommendation or constituting an invitation or offer that any recipient of the Prospectus should purchase any Notes.

Limited Liquidity of the Transaction

There is currently no market for the Notes. There can be no assurance that a secondary market for the Notes will develop, or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity or that it will continue for the life of the Notes. Moreover, the limited scope of information available to the Issuer, the Trustee and the Noteholders regarding the Assets may further affect the liquidity of the Notes. Consequently, any purchaser of the Notes must be prepared to hold the Notes for an indefinite period of time or until final maturity.

Conflicts of interest; No reliance

The Goldman Sachs Group, Inc. and its affiliates ("**Goldman Sachs**") are acting and/or may act in a variety of capacities in relation to the Notes and may derive revenues and profits for which they will not account to Noteholders and which may be higher than those generated by comparable investment schemes. Goldman Sachs may provide investment banking, commercial banking or financial advisory services to affiliates or to third parties whose interests may be adverse to Noteholders.

The Swap Counterparty or any of the other entities mentioned above may, by virtue of its status as an underwriter, advisor, or otherwise, possess or have access to non-publicly available information relating to the Assets and have not undertaken, and do not intend, to disclose such status or non-public information in connection with the offering of the Notes. Accordingly, this Prospectus

may not contain all information that would be material to the evaluation of the merits and risks of an investment in the Notes.

The Swap Counterparty or any of the other entities mentioned above may from time to time be an active participant on both sides of the market and have long or short positions in, or buy and sell, securities, commodities, futures, options or other derivatives identical or related to those mentioned in this Prospectus.

As Calculation Agent for the Notes, the Swap Counterparty will have discretion in making various determinations that affect the Notes under certain circumstances, including the redemption amount payable on early redemption for tax reasons and on any acceleration. The exercise of this discretion by the Swap Counterparty could adversely affect the value of the Notes and may present the Swap Counterparty with a conflict of interests.

The Authorised Representative may exercise discretions which may affect the rights of Noteholders

The Authorised Representative (initially AXA MPS Assicurazioni Vita S.P.A) is provided with (i) daily information on the Assets by the Custodian and (ii) daily indicative valuations of the Notes by the Dealer and has the right to exercise certain discretions which may affect the rights of Noteholders. Noteholders should be aware that the Authorised Representative may act in a way which is detrimental to the interests of any particular Noteholder.

Hedging costs

Upon early Termination of the Swap, any break costs that may be incurred by the Swap Counterparty in relation to the early termination of any transaction entered into by the Swap Counterparty to hedge, in whole or in part, its position under the Swap, will be taken into account by the Calculation Agent for the determination of the Swap Termination Payment. This may result in a reduction in the amount receivable by Noteholders.

The Issuer and/or Goldman Sachs may also enter into, adjust or unwind hedging transactions relating to the Assets. Any of this hedging activity may adversely affect the value of the Assets and the Notes.

Documents Incorporated by Reference

This Prospectus should be read and construed in conjunction with the base prospectus of the Issuer dated 11 May 2011 relating to the Issuer's "MAJOR" Multi-Jurisdiction Repackaging Note Programme (the "**Base Prospectus**"), which has been previously published and has been approved by the Competent Authority or filed with it and shall be deemed to be incorporated in, and form part of, this Prospectus, save that any statement contained in any of the documents incorporated by reference in, and forming part of, this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Prospectus. Terms used herein but not otherwise defined shall have the meanings given to them in the Base Prospectus. This Prospectus must be read in conjunction with the Base Prospectus and full information on the Issuer and the Notes is only available on the basis of the combination of the provisions set out within this Prospectus and the Base Prospectus.

The published audited annual financial statements of the Issuer for the financial period from, and including, 1 January 2010 to, but excluding, 31 December 2010 shall also be deemed to be incorporated in, and form part of, this Prospectus.

The financial statements and the Base Prospectus are available for viewing at the registered offices of the Issuer and the Paying Agents.

Terms and Conditions of the Notes

The terms and conditions of the Notes shall consist of the terms and conditions set out in the Base Prospectus (the “**Base Conditions**”) as amended or supplemented below. References in the Base Conditions to Additional Conditions shall be deemed to refer to the terms as set out below. Terms used herein shall be deemed to be defined as such for the purposes of the Base Conditions set forth in the Base Prospectus.

References in the Additional Conditions to “Commitment Date” shall, for the purposes of the Base Conditions and the Programme Deed, be construed as references to “Trade Date”.

Additional Conditions

Issuer	
Issuer	SIGNUM FINANCE II PLC
Transaction Counterparties	
Trustee	BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED
Principal Paying Agent and Custodian	THE BANK OF NEW YORK MELLON, acting through its London branch
Registrar, Paying Agent and Transfer Agent	THE BANK OF NEW YORK MELLON (LUXEMBOURG) S.A.
Arranger, Dealer, Calculation Agent, Disposal Agent, Process Agent, Vendor and Swap Counterparty	GOLDMAN SACHS INTERNATIONAL
Agents’ Designations	
Secured Agents	Registrar, Transfer Agent, Principal Paying Agent, Paying Agent and Custodian
Other Agents	Calculation Agent, Disposal Agent and Process Agent
1	Format
(a)	Series 2011-01.
(b)	Tranche 1.
(c)	ISIN XS0659372980.
(d)	Common Code 065937298.
(e)	Form Registered.
(f)	Listing The Issuer has applied to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its regulated market.
(g)	Estimate of total expenses related to admission to trading €2,532.40.
(h)	Rating Applicable, provided that the Arranger shall use reasonable

endeavours to discuss with Fitch to try to arrange for the Notes to be rated (at whatever rating Fitch may determine to assign to the Notes) provided that the Arranger will be under no obligation whatsoever to amend any of the terms of the Notes or the terms of the Programme Deed in order to attain any rating or at the request of Fitch.

It may not be possible to obtain a rating of the Notes from Fitch. If no rating is obtained, then the Notes will not be rated and this Additional Condition 1(h) shall be deemed ‘Not Applicable’.

Any fees, costs and or expenses associated with any rating of the Notes by Fitch (“**Rating Costs**”) will be borne by the Authorised Representative and as such shall be notified to the Authorised Representative prior to the date on which any such rating is obtained so that the Authorised Representative will be able to determine whether or not to proceed with the obtaining of a rating.

Consequently, on the Authorised Representative’s receipt of (i) confirmation from the Calculation Agent that it is possible to obtain a rating and (ii) the provisional Rating Costs, the Authorised Representative may elect by written notice to the Calculation Agent within one Business Day of being notified of the Rating Costs that (A) the Notes will not be rated and consequently that this Additional Condition 1(h) shall be deemed ‘Not Applicable’ or (B) the Calculation Agent should proceed with obtaining such rating for the Notes and consequently that this Additional Condition 1(h) shall be deemed ‘Applicable’ and upon any rating being obtained (a “**Rating Trigger Event**”), the Margin will be adjusted in accordance with Additional Condition 3(h).

The Calculation Agent shall notify the Issuer and the Trustee of either such election.

In circumstances where this Additional Condition 1(h) is deemed ‘Not Applicable’, the Arranger shall have no obligations in connection with any rating thenceforth.

In the event that the Calculation Agent determines that (i) a Rating Trigger Event has occurred or (ii) the Authorised Representative has elected that the Notes will not be rated, the Issuer shall notify, in writing, the Trustee and the Noteholders of such an event, as soon as it is practicable to do so.

Rating Agency

If Rating is applicable, Fitch.

Rating Criteria

It is anticipated that the Notes will be rated A by Fitch on or following the Issue Date, subject however, to the other provisions of this Additional Condition 1(h).

Fitch is a credit rating agency established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 on credit rating agencies (the “**CRA**”

Regulation”) although the result of such application(s) has not yet been determined. A rating addresses the Issuer’s ability to perform its obligations under the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the relevant rating agency. A suspension, reduction or withdrawal of the rating(s) assigned to the Notes may adversely affect the market price of the Notes. The credit ratings included or referred to in this Additional Condition 1(h) will be treated for the purposes of the CRA Regulation as having been issued by Fitch upon registration pursuant to the CRA Regulation.

- (i) **Applicable Product Supplements** None.
- (j) **Applicable TEFRA Rules** Not Applicable.

2 Issue

- (a) **Trade Date** 3 August 2011.
- (b) **Issue Date** 6 September 2011.
- (c) **Relevant Currency** Euro (“**EUR**”).
- (d) **Principal Amount** EUR 150,000,000.
- (e) **Issue Price** 100%.
- (f) **Denominations** EUR 100,000.
- (g) **Business Day Convention** Modified Following Business Day Convention.
- (h) **Business Day Jurisdiction** London and TARGET.
- (i) **Transaction Agreements** Programme Deed.
Drawdown Deed.
Global Certificate.
Swap (as defined in the Drawdown Deed).
CSA (as defined in the Drawdown Deed).
Any further Additional Security Document as described in paragraph 6(b) below.
- (j) **Board Approval Date for Issuance of the Notes** 6 September 2011.

3 Interest

- (a) **Interest Basis** Subject to the Applicable Provisos, Floating Rate. Notwithstanding that the Interest Basis is Floating Rate, there may be deductions from the Interest Amount payable to Noteholders as set out in the Applicable Provisos.
- (b) **Interest Calculation Amount** In relation to a Note, the Denomination of that Note.

- (c) **Interest Payment Dates** 15 September and 15 March in each year, commencing on, and including, 15 September 2011 (*short first coupon*) and ending on, and including, 15 September 2041, in each case subject to adjustment in accordance with the Business Day Convention *provided that* where such Interest Payment Date would fall during an AR Grace Period or Defaulted Asset Grace Period (each as defined in Additional Condition 11 below), such Interest Payment Date shall, subject as set out in the following paragraph, be deferred until the first Business Day following the AR Grace Period End Date or the first Business Day following the expiry of the Defaulted Asset Grace Period as may be applicable and *further provided that* if the final Interest Payment Date is earlier than the Maturity Date, payment of the final Interest Amount will not be made until the Maturity Date and no interest or additional amount will be payable in respect of any such postponement.
- In the event that a Mandatory Redemption Date occurs, no Interest amounts will be payable in respect of the period from and including the Interest Payment Date immediately preceding the occurrence of the related Mandatory Redemption Event.
- (d) **Interest Period End Dates** Adjusted.
- (e) **Interest Commencement Date** Issue Date.
- (f) **Interest Determination Date** As per Base Conditions.
- (g) **Day Count Fraction** Actual/360.
- (h) **Margin** 3.2133% or following a Rating Trigger Event, 3.2003%.
- (i) **Floating Rate Determination Method** ISDA Determination.
- (j) **ISDA Determination** Floating Rate Option: EUR-EURIBOR-Reuters.
Designated Maturity: 6 months.
Linear Interpolation: Applicable in respect of the first Interest Calculation Period.
- (k) **Applicable Provisos** **(A) Gross payments:** Notwithstanding Base Condition 7.1, subject as set out below, following the occurrence of an Adverse Tax Event as a result of the imposition of a Gross Up Tax, the Issuer will pay additional amounts under the Notes (each an “**ATE Gross Up Amount**”) to ensure (without double counting) that the aggregate net amount received by each Noteholder in respect of each Interest Payment Date that falls during the Adverse Tax Event Grace Period will equal the full amount such Noteholder would have received had no such deduction or withholding on account of such Gross Up Tax been imposed.

Where the Issuer is obliged to make payments of such additional amounts, under the terms of the Swap, the Swap Counterparty is obliged to pay to the Issuer an amount equal to any ATE Gross Up Amount.

No ATE Gross Up Amount will be payable in respect of the Interest Payment Date falling on or around the Maturity Date and any payments of Interest in respect of such Interest Payment Date shall be made subject to any applicable Taxes including any Gross Up Tax.

For the avoidance of doubt, the above provisions apply only to payments of Interest and not to payments of Principal.

(B) Tax deductions: Following the occurrence of any Adverse Tax Event as a result of the imposition of a Gross Up Tax and/or the occurrence of any Tax Event under the Swap, and provided in each case that a Mandatory Redemption Event has not occurred:

- (i) in respect of the first Interest Payment Date falling after the related ATE Grace Period End Date, in the event that the Issuer has paid an ATE Gross Up Amount in respect of any Notes; and/or
- (ii) in respect of the first Interest Payment Date following a Swap Tax Event Grace Period End Date in respect of a Swap Tax Event Grace Period, where the Swap Counterparty, has paid a Swap Gross Up Amount to the Issuer within such Swap Tax Event Grace Period,

then on each subsequent Interest Payment Date, where the Gross Up Deduction Amount is more than zero:

- (I) if the Gross Up Deduction Amount is less than the Interest Amount due in respect of each Note, such Interest Amount shall be reduced by the Gross Up Deduction Amount (such reduction the "**Gross Up Repayment**"), and the Gross Up Deduction Amount shall then equal zero; or
- (II) if the Gross Up Deduction Amount is equal to or more than the Interest Amount due (which shall also equal the "**Gross Up Repayment**" with respect to that Interest Payment Date) in respect of each Note, the Interest Amount paid by the Issuer per Note on such Interest Payment Date shall be zero and the Gross Up Deduction Amount shall be reduced by the Interest Amount due in respect of each Note on such Interest Payment Date.

Where "**Gross Up Deduction Amount**" shall, following the occurrence of any Adverse Tax Event as a result of the imposition of a Gross Up Tax and/or the occurrence of any Tax Event under the Swap (and subject to any reductions made pursuant to (I) and (II) above), equal each Note's pro rata share of the sum of (i) any ATE Gross Up Deduction Amount and (ii)

any Swap Gross Up Deduction Amount.

4 Redemption		
(a)	Maturity Date	15 September 2041, subject to adjustment in accordance with the Business Day Convention (the “ Scheduled Maturity Date ”), <i>provided that</i> if the Scheduled Maturity Date is an earlier date than the date on which the final payment of Principal is due under the Asset Conditions (taking into account any adjustment of the scheduled payment date in accordance with any applicable business day convention) (the “ Final Asset Payment Date ”), the Maturity Date of the Notes shall be the Final Asset Payment Date.
(b)	Final Redemption Amount	In respect of each Note, an amount in the Relevant Currency equal to the Principal Amount as at the Maturity Date divided by the number of Notes outstanding as at the Maturity Date.
(c)	Mandatory Redemption Events	As set out in the Base Conditions except that: <ul style="list-style-type: none"> (i) Settlement/Custodial Event with respect to the Custodian shall not be applicable, (ii) Defaulted Asset shall have the meaning set out below and (iii) the occurrence of an Asset Restructuring Event or a Gross Up Excess Trigger Event (as such terms are defined in Additional Condition 10 below) shall also constitute a Mandatory Redemption Event.
(d)	Mandatory Redemption Amount	Subject to a minimum of zero, an amount in respect of each Note determined in accordance with the following formula: $(RP - TTA) \div N$ Where: <p>“RP” means the proceeds of redemption or sale of the Affected Assets realised in accordance with the Programme Deed and these Additional Conditions or the cash value (to the extent such Assets are cash).</p> <p>“TTA” means the sum of (i) any accrued, but unpaid, Expenses payable by the Issuer upon any Mandatory Redemption of the Notes and (ii) the Aggregate STP (for the avoidance of doubt, calculated pursuant to “Determination of Settlement Amount” below) expressed as a positive amount if payable by the Issuer and a negative amount if payable to the Issuer.</p> <p>“N” means the number of the Notes falling due for redemption.</p>
(e)	Partial Redemption Method	Pro Rata.
5 Options		
(a)	MTM Trigger Contracts	None.
	<i>MVA Factor</i>	Not Applicable.

	<i>NAA Factor</i>	Not Applicable.
(b)	BIE Option	Applicable.
(c)	Issuer Call Option	Not Applicable.
(d)	Noteholder Put Option	<p>Applicable, provided that the Noteholder Put Option may be exercised by any Noteholder (or the Authorised Representative acting with the consent of, and on behalf of, 100% of the Noteholders) in respect of some or all of the Notes held by such Noteholder(s). The Noteholder Put Option may be exercised at any time during the Noteholder Put Option Period including following the occurrence of a Mandatory Redemption Event (but prior to the commencement of any enforcement of security) as a result of a Swap Termination Event arising upon a Bankruptcy Event of Default under the Swap in respect of the Swap Counterparty, <i>provided that</i> a replacement notes Calculation Agent and a replacement Disposal Agent have been appointed at the time of exercise of such Noteholder Put Option.</p> <p>If the Noteholder Put Option is exercised in respect of part only of the Notes:</p> <ul style="list-style-type: none"> (i) the Disposal Agent will, without incurring any liability in connection therewith, determine the amount of Assets which shall be Disposal Assets (a proportional amount, to ensure an aggregate principal amount of Assets as Disposal Assets equal to the aggregate principal amount of Notes which are the subject of the relevant exercise of the Noteholder Put Option) in order to ensure that the Issuer is able to pay to the relevant Noteholder an amount equal to the related Put Redemption Amount, and shall notify the Calculation Agent of the same, and (ii) the Calculation Agent will notify the Issuer and the Transaction Counterparties of the modifications required to the Principal Amount and the Asset Nominal Amount to reflect the exercise of the Noteholder Put Option and, pursuant to the terms of the Drawdown Deed, such terms shall be deemed to be so modified in each relevant Transaction Agreement upon delivery of such notice to the Issuer, without further action by any person. A proportional amount of the Swap will be deemed to be terminated in connection with the redemption of the relevant Notes which are the subject of the Noteholder Put Option, in accordance with the terms of the Swap Agreement.
	<i>Noteholder Put Option Period</i>	From (and including) the Issue Date to (and including) the Maturity Date.
	<i>Put Redemption Amount</i>	<p>An amount equal to the Mandatory Redemption Amount that would be payable assuming that a Mandatory Redemption Event had occurred in respect of the Exercised Notes only.</p> <p>Any amounts due to a Noteholder in respect of a Noteholder Put Option exercise will be paid net of unrealised claims and subject to</p>

the limited recourse provisions of the Notes, save that the Put Redemption Date may not be later than the Maturity Date

Put Redemption Date The date specified by the relevant Noteholder (or the Authorised Representative acting with the consent of, and on behalf of, 100% of the Noteholders) in the Exercise Notice provided that such date falls not less than 5 Business Days after the date on which the Exercise Notice together with all relevant Notes are deposited with the relevant Agent.

- (e) **TTA Option** Not Applicable.
- (f) **Agent Replacement Option** Applicable, as set out in Base Condition 5.8 (as inserted pursuant to Additional Condition 10 below).

6	Security
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- (a) **Security Interests** The Issuer with full title guarantee and as continuing security in favour of the Trustee as trustee for itself and the Secured Parties:
 - (i) **Fixed Charge:** charges by way of first fixed charge the Assets and all the Transaction Amounts; and
 - (ii) **Assignments:** assigns by way of security its Series Rights (including, for the avoidance of doubt, its rights under the Swap and the CSA).
- (b) **Additional Security Documents** In the event that Eligible Credit Support is delivered to the Issuer pursuant to the CSA, the Issuer will ensure that a perfected security interest in favour of the Trustee (to hold on behalf of the Secured Parties) is created over such Eligible Credit Support, as the case may be, to the extent that the Security does not already extend to such Eligible Credit Support. If necessary, the Issuer and the Trustee will execute an additional security document to create such security. Any additional security document executed by the Issuer in respect of the Eligible Credit Support under the CSA shall, once entered into, be an Additional Security Document.
- (c) **Secured Parties** Trustee, Registrar, Transfer Agent, Principal Paying Agent, Paying Agents, Custodian, Swap Counterparty and Noteholders.
- (d) **Priority of Claims upon Enforcement of Security**
 - (i) **Trustee:** first, to the Trustee in respect of the Trustee’s Expenses;
 - (ii) **Secured Agents:** secondly, to each Secured Agent *pari passu* and rateably in respect of the Secured Agents’ Expenses;
 - (iii) **Swap Counterparty:** thirdly, to the Swap Counterparty in payment of amounts owed to it under the Swap Agreement;
 - (iv) **Noteholders:** fourthly, to the Noteholders *pari passu* and rateably in payment of any amounts due in respect of the Notes; and
 - (v) **Issuer:** fifthly, to the Issuer in payment of any balance.

7 Assets	
(a)	<p>Assets</p> <p>EUR 150,000,000 in aggregate principal amount of the EUR 6,412,760,000 Buoni del Tesoro Poliennali Inflation Linked Bonds due 2041 issued by the Asset Issuer.</p> <p>The term "Assets" shall also include (i) any further transferable securities or cash acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series with the Notes; and (ii) any security into which any of the Assets is converted or exchanged or that is issued to a holder of any of the Assets by virtue of its holding thereof.</p> <p>For the avoidance of doubt, Credit Support Assets shall not be deemed to be Assets (but instead, shall constitute Transaction Amounts).</p> <p><i>Asset Issuer:</i> Republic of Italy.</p> <p><i>Asset ISIN:</i> IT0004545890.</p> <p><i>Asset Maturity Date:</i> 15 September 2041.</p> <p><i>Asset Nominal Amount</i> EUR 150,000,000.</p> <p><i>Asset Purchase Price</i> EUR 118,530,000 (dirty).</p> <p><i>Interest Rate:</i> 2.55% per annum multiplied by the Inflation Index Ratio (as defined in the Asset terms and conditions).</p> <p><i>Asset Payment Dates:</i> Semi-annually in arrear on 15 March and 15 September in each year or, if such a date is not a Business Day (as defined in the Asset terms and conditions), the next following Business Day (provided that there shall be no adjustment to interest accrual in relation to such delay in payment).</p> <p><i>Form:</i> Registered.</p> <p><i>Governing Law:</i> Italian law.</p> <p><i>Listing:</i> Borsa Italiana SpA.</p>
(b)	<p>Self-Purchase by Disposal Agent</p> <p>Applicable.</p>
(c)	<p>Adjusted Disposal Method</p> <p>Not Applicable.</p>
(d)	<p>Adjusted Voting Rights</p> <p>Applicable.</p>
(e)	<p>Method of Disposal</p> <p>Without prejudice to Clause 40.1 of the Programme Deed, the Disposal Agent will as soon as reasonably practicable, and no later than 1 Business Day following:</p> <p>(I) the effective date of the Notice of Redemption after the occurrence of a Mandatory Redemption Event, or</p> <p>(II) the Put Redemption Date after the valid exercise of a</p>

Noteholder Put Option, on behalf of the Issuer, attempt to obtain firm bid quotations from at least five dealers, provided that (A) at least four of the dealers shall not be an affiliate of Goldman Sachs International and (B) if elected in advance by the Authorised Representative by written notice to the Disposal Agent, one of the dealers shall be the Authorised Representative and/or one dealer may be selected by the Authorised Representative) and further provided that

- (i) if at least two such quotations are available, the Disposal Agent, acting as broker on behalf of the Issuer, will (subject to the Last Look Option) sell the Assets (or, in the case of (a) an Asset Event, the Affected Assets and (b) an exercise of the Noteholder Put Option, the relevant portion thereof) at the highest quotation obtained and will transfer the proceeds to the Issuer for settlement as soon as it is practicable to do so following receipt of such proceeds and in any event on or before the date by which the Issuer must have effected settlement of the sale of any Disposal Assets in order to comply with its obligations under the Notes (the “**Disposal Date**”);
- (ii) if the Disposal Agent is unable to obtain at least two firm bid quotations (as described above), then on the next following Business Day and (to the extent necessary) on each Business Day thereafter until the tenth (10th) following Business Day thereafter (the “**Dealer Quotation Period**”), the Disposal Agent will attempt to obtain such quotations from at least five dealers provided that (A) at least 4 dealers shall not be an affiliate of Goldman Sachs International and (B) if elected in advance by the Authorised Representative by written notice to the Disposal Agent, one of the dealers shall be the Authorised Representative and/or one dealer may be selected by the Authorised Representative;
- (iii) If the Disposal Agent is able to obtain at least two such quotations on any single Business Day in the Dealer Quotation Period, then the Disposal Agent, acting as broker on behalf of the Issuer, will (subject to the Last Look Option) sell the Assets (or, in the case of (a) an Asset Event, the Affected Assets and (b) an exercise of the Noteholder Put Option, the relevant portion thereof) at the highest quotation obtained and will transfer the proceeds to the Issuer for settlement as soon as it is practicable to do so following receipt of such proceeds and in any event on or before the Disposal Date;
- (iv) If at the end of such Dealer Quotation Period the Disposal Agent has been unable to obtain at least two such quotations on any single Business Day, then (i) an “**Adverse Disposal Event**” shall be deemed to have occurred and (ii) if was able to obtain any single quotation, it will (subject to

the Last Look Option) sell the Assets (or, in the case of (a) an Asset Event, the Affected Assets and (b) an exercise of the Noteholder Put Option, the relevant portion thereof) and notify the Noteholders of such single quotation and will transfer the proceeds to the Issuer for settlement as soon as it is practicable to do so following receipt of such proceeds; and

- (v) If the Disposal Agent has received the requisite number of quotations the Disposal Agent shall notify the Authorised Representative of the highest quotation and the Authorised Representative shall have the option (the “**Last Look Option**”) to purchase all of the relevant Assets on or before the relevant Disposal Date as a price equal to or greater than the relevant highest quotation the Disposal Agent had received (to ensure that the Issuer receives the same net sale proceeds as if the relevant Assets had been sold to the dealer which provided such quotation). Where the Disposal Agent notifies the Authorised Representative of the highest quotation received before 2:00 p.m. on any relevant Business Day, the Last Look Option must be exercised by 11:00 a.m. on such Business Day on which the Disposal Agent notifies the Authorised Representative of the highest quotation received and if the Authorised Representative is notified by the Disposal Agent of the highest quotation received on or after 2:00 p.m. on any relevant Business Day, the Last Look Option must be executed by 11:00 a.m. on the Business Day following such relevant day. The Disposal Agent will transfer the proceeds to the Issuer for settlement as soon as it is practicable to do so following receipt of such proceeds.

For the avoidance of doubt, whilst Goldman Sachs International and the Authorised Representative may be a “dealer”, neither will be under any obligation to provide any firm bid quotation.

8	Swap Terms	
	(a) Swap Agreement	<p>The Swap (together with the CSA) (each as defined in the Drawdown Deed). The Swap is subject to, and incorporates, the 2006 ISDA Definitions and the 2008 ISDA Inflation Derivatives Definitions (the “ISDA Derivative Definitions”) as well as the Notes, as modified by the Swap Terms set out below.</p> <p>To the extent that capitalised terms used in the Swap Terms set out below are not defined in the Prospectus, such terms shall have the meaning given to them by the ISDA Derivative Definitions and, to the extent that such capitalised terms used in the Swap Terms set out below are not defined either in the Prospectus or the ISDA Derivative Definitions, such terms shall have the meaning given to them in the Base Conditions. In the event of any inconsistency between the Swap Terms, the ISDA Derivative Definitions and the</p>

		Master Swap Terms, the Swap Terms will govern.
(b)	Swap Counterparty	Goldman Sachs International.
(c)	Swap Guarantor	The Goldman Sachs Group, Inc.
(d)	Reference Number	LTAA1122047818.
(e)	General Terms	
	Trade Date	3 August 2011.
	Effective Date	Issue Date of the Notes.
	Termination Date	Maturity Date of the Notes.
	Calculation Agent	The Calculation Agent from time to time under the Notes.
	Business Days	London and TARGET unless otherwise specified.
	Business Day Convention	In respect of payments to be made by the Issuer: Following Business Day Convention.
		In respect of payments to be made by the Swap Counterparty: Modified Following Business Day Convention.
(f)	Initial Exchange	
	Initial Exchange Date	The Effective Date.
	Issuer Initial Exchange Payment Amount	EUR 150,000,000.
	Swap Counterparty Initial Exchange Payment Amount	EUR 118,530,000.
(g)	Final Exchange	
	Swap Counterparty Final Exchange Date	Maturity Date of the Notes.
	Issuer Final Exchange Date	15 September 2041, subject to adjustment in accordance with the Following Business Day Convention.
	Swap Counterparty Final Exchange Payment Amount	An amount equal to the Final Redemption Amount for all outstanding Notes, as determined on the Swap Counterparty Final Exchange Date.
	Issuer Final Exchange Payment Amount	The Floating Amount Payer Notional Amount multiplied by the CPI RATIO on 15 September 2041 as determined on the Index Valuation Date immediately preceding 15 September 2041 or, where such CPI RATIO is lower than one, the Floating Amount Payer Notional Amount.
	CPI RATIO	In respect of 15 September 2041, the Inflation Indexation Coefficient.
	Inflation Indexation Coefficient	(Index Final/Index Initial).
	Index	EUR – Excluding Tobacco-Non-revised Consumer Price Index (Bloomberg: CPTFEMU <Index>)

Related Bond	BTPei 2041 Inflation Linked Bonds due 2041 Fallback Bond: Not Applicable
Index Initial	107.91533.
Index Final	Daily Inflation Rate.
Index Valuation Date	The fifth TARGET2 Settlement Day preceding 15 September 2041.
Primary Lag for the Index Final	3 months.
Secondary Lag for the Index Final	2 months.

(h) **Issuer Floating Amounts (Asset Swap)**

Floating Amount Payer	Issuer.
Floating Amount Payment Dates	15 March and 15 September in each year falling in the period commencing on the Issue Date of the Notes and ending on and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention, <i>provided that</i> where such Floating Amount Payment Date occurs during an AR Grace Period or Defaulted Asset Grace Period, as applicable, such Floating Amount Payment Date shall be deemed not to occur until, subject to the non-occurrence of a Mandatory Redemption Event under the Notes, the first Business Day following the AR Grace Period End Date or the first Business Day following the expiry of the Defaulted Asset Grace Period, as may be applicable.
Floating Amount Payer Notional Amount	The principal amount of the Assets (as defined in the terms and conditions of the Notes, for the avoidance of doubt including any Assets that have been posted by the Issuer under the CSA but excluding any Assets that may have been realised or sold by the Issuer), save that following the occurrence of an Asset Interest Shortfall Event, the Floating Amount shall be amended during the Asset Interest Shortfall ATE Grace Period as per the “Asset Interest Shortfall Additional Termination Event” provisions below.
Floating Amount Period End Dates	15 March and 15 September in each year commencing on 15 September 2011 (no adjustment).
Floating Amount Calculation Period	As defined in the 2006 ISDA Definitions save that the initial Floating Amount Calculation Period shall commence on and include 15 March 2011 (no adjustment).
Floating Rate	2.55 per cent. per annum multiplied by the CPI RATIO as determined on the relevant Index Valuation Date.
CPI RATIO	In respect of a Floating Amount Payer Calculation Period, the Inflation Indexation Coefficient.
Inflation Indexation Coefficient	(Index Final/Index Initial).
Index	EUR – Excluding Tobacco-Non-revised Consumer Price Index (Bloomberg: CPTFEMU <Index>).

	Related Bond	BTPei 2041 Inflation Linked Bonds due 2041 Fallback Bond: Not Applicable.
	Index Initial	107.91533.
	Index Final	Daily Inflation Rate.
	Index Valuation Date	The fifth TARGET2 Settlement Day preceding each Floating Amount Period End Date.
	Primary Lag for the Index Final	3 months.
	Secondary Lag for the Index Final	2 months.
	Floating Rate Day Count Fraction	Actual/Actual(ICMA).
(i)	Interim Exchange 1	
	Interim Exchange 1 Payer	Issuer.
	Interim Exchange 1 Payment Date	Each Asset Interest Shortfall ATE Date.
	Interim Exchange 1 Payment Amount	In respect of an Asset Interest Shortfall ATE Date, the related Asset Interest Shortfall Due Amounts.
(j)	Interim Exchange 2	
	Interim Exchange 2 Payer	Issuer.
	Interim Exchange 2 Payment Date	Each Floating Amount Payment Date.
	Interim Exchange 2 Payment Amount	An amount equal to any Gross Up Repayment on the relevant Floating Amount Payment Date.
(k)	Interim Exchange 3	
	Interim Exchange 3 Payer	Issuer.
	Interim Exchange 3 Payment Date	Any Mandatory Redemption Date.
	Interim Exchange 3 Payment Amount	An amount equal to the sum of any Gross Up Deduction Amount calculated but not yet deducted from the interest paid in accordance with the provisions of the Notes provided that such Mandatory Redemption Date shall be an Interest Payment Date for the purpose of the calculations therein.
(l)	Interim Exchange 4	
	Interim Exchange 4 Payer	Swap Counterparty.
	Interim Exchange 4	Each Interest Payment Date under the Notes.

	Payment Date	
	Interim Exchange 4 Payment Amount	In respect of each Interest Payment Date, an amount equal to the aggregate Interest Amount due to the Noteholders on such Interest Payment Date without taking into account, for the purpose of the calculation of this Interim Exchange 4 Payment Amount only, the effects of Applicable Provisos (A) (<i>Gross Payment</i>) and/or (B) (<i>Tax Deduction</i>) as may be applicable pursuant to Additional Condition 3(k) of the Notes.
(m)	Interim Exchange 5	
	Interim Exchange 5 Payer	Swap Counterparty.
	Interim Exchange 5 Payment Date	Each Interest Payment Date under the Notes (which for the avoidance of doubt shall not include the Maturity Date), on which an ATE Gross Up Amount is to be paid by the Issuer to the Noteholders under the Notes.
	Interim Exchange 5 Payment Amount	An amount equal to any applicable ATE Gross Up Amount due to the Noteholders on such Interest Payment Date under the Notes.
(n)	Additional Provisions	
	<i>Mandatory Redemption Event and Noteholder Put Option</i>	In relation to paragraph 1.9 of the Master Swap Terms, the words “becoming repayable” shall, in relation to the Notes, be construed so as to include (i) the occurrence of a Mandatory Redemption Event or any other event as a result of which the Notes are capable of being declared due and payable and (ii) the valid exercise by a Noteholder of the Noteholder Put Option.
	<i>Acting as principal</i>	Unless otherwise indicated the Swap Counterparty and the Issuer have each acted as principal in respect of this Transaction. The time and venue of execution of this Transaction is available on request.
	<i>Calculation Agent</i>	Following an Insolvency Event in respect of the Calculation Agent, the Authorised Representative may elect a replacement Calculation Agent pursuant to Base Condition 5.8 (as inserted pursuant to Additional Condition 10).
	<i>Automatic Designation</i>	Where a party has not performed any obligation under a Transaction which, but for the application of Section 2(a)(ii) of the ISDA Master Agreement, would have been due in accordance with Section 2(a)(i) of the ISDA Master Agreement, and has been entitled either to designate an Early Termination Date with respect to such Transaction or to deliver a notice in order to commence any grace period, in each case for a period of 30 calendar days but has not done so, an Early Termination Date shall be deemed automatically designated or such notice deemed automatically delivered in accordance with the terms of the ISDA Master Agreement on the Local Business Day falling on or immediately following such 30th calendar day and, in the case of any notice commencing any grace period, an Early Termination Date shall be deemed automatically designated upon the entitlement to designate an Early Termination

Date arising on expiration of such grace period.

Suspension rather than extinguishment

Where a party (the “**Relevant Party**”) has not performed any obligation which, but for the application of Section 2(a)(ii) of the ISDA Master Agreement, would have been due in accordance with Section 2(a)(i) of the ISDA Master Agreement (each such obligation, a “**Suspended Obligation**”) and the relevant conditions precedent for the purpose of Section 2(a)(ii) of the ISDA Master Agreement are subsequently satisfied, then each Suspended Obligation shall:

- (i) become due to be performed under Section 2(a)(i) of the ISDA Master Agreement with effect from the first date on which all relevant conditions precedent are subsequently satisfied (the “**Reinstatement Date**”); and
- (ii) cease to be a Suspended Obligation from the Reinstatement Date.

Asset Interest Shortfall Additional Termination Event

In respect of any Issuer Floating Amounts under the Swap, if the interest amounts actually received by the Issuer in respect of the Assets are lower than the scheduled interest payments due in respect of the Assets as at the Trade Date (an “**Asset Interest Shortfall Event**”) (where the difference between the scheduled interest payment as at the Trade Date and the actual amount received shall be the “**Asset Interest Shortfall**”), then:

- (i) an Additional Termination Event in respect of the Swap will occur on the date (the “**Asset Interest Shortfall ATE Date**”) falling on the earlier to occur of (a) the Business Day immediately prior to the Maturity Date and (b) 3 months following the Asset Interest Shortfall Event (“**Asset Interest Shortfall Event Date**”), such period between the relevant Asset Interest Shortfall Event Date and the Asset Interest Shortfall ATE Date the “**Asset Interest Shortfall ATE Grace Period**”, provided that the Issuer has not paid the Asset Interest Shortfall Due Amount to the Swap Counterparty on or before the Asset Interest Shortfall ATE Date, and the Affected Party shall be Party B;
- (ii) for the duration of the Asset Interest Shortfall ATE Grace Period, the Issuer’s obligation in respect of such Issuer Floating Amount shall be reduced by an amount equal to the Asset Interest Shortfall; and
- (iii) an amount equal to the Asset Interest Shortfall plus accrued interest at EONIA calculated and compounded daily from, and including, the relevant Floating Amount Payment Date to, but excluding, the date of payment (the “**Asset Interest Shortfall Due Amount**”), shall be an amount due to the Swap Counterparty under the Swap in accordance with Interim Exchange 1.

Additional Provisions in respect of Tax Event

If there are circumstances which would constitute a Tax Event, then for a period (the “**Swap Tax Event Grace Period**”) from, and including, the date such Tax Event occurs to, and excluding, the date falling on the earlier to occur of (i) the Business Day

immediately prior to the Maturity Date and (ii) three months after the date such Tax Event occurs (such end date, the “**Swap Tax Event Grace Period End Date**”), then:

- (i) neither the Swap Counterparty nor the Issuer will designate an Early Termination Date with respect to the relevant Tax Event until on or after the Swap Tax Event Grace Period End Date;
- (ii) in respect of payment obligations of the Swap Counterparty for the duration of the Swap Tax Event Grace Period (excluding, for the avoidance of doubt, the Maturity Date), all Taxes will be deemed to be Indemnifiable Taxes and in respect of such Taxes and solely within the Swap Tax Event Grace Period, Section 5.6 (No Gross Up) of the Schedule shall not apply in respect of the Swap Counterparty with the result that the Swap Counterparty may be requested to pay net amounts in respect of any relevant payment obligations (any additional amounts paid by the Swap Counterparty in connection with any Tax, “**Swap Gross Up Amounts**”).

Swap Termination on Swap Counterparty Bankruptcy

If an Event of Default under Section 5(a)(vii) (Bankruptcy) of the Swap occurs in respect of the Swap Counterparty, the Authorised Representative, the Noteholders by Extraordinary Resolution, or the Trustee, may, by written notice to the Issuer, instruct the Issuer to designate an Early Termination Date (as defined in the Swap Agreement) under the Swap.

If an Early Termination Date has not been designated under the Swap on or before the 10th London and New York Business Day following the occurrence of an Event of Default specified in Section 5(a)(vii) of the Swap Agreement, in respect of the Swap Counterparty, an Early Termination Date in respect of the relevant Transaction will be deemed to occur on such 10th London and New York Business Day.

Authorised Representative Disputes

The Issuer shall procure that the Authorised Representative is notified of any calculations or determinations made under either the Swap or the CSA. The Authorised Representative shall have the right, on behalf of Party B, to dispute any calculations, determinations or estimates of the Calculation Agent under the Swap or the CSA other than those in connection with Section 6(e) of the ISDA (which shall be governed by “Determination of Settlement Amount” below). If any such dispute cannot be resolved between the Authorised Representative and the Calculation Agent within twenty-four hours of the Authorised Representative raising the dispute, then (notwithstanding Paragraph 4 (*Dispute Resolution*) of the CSA) (i) the relevant party under the terms of the Swap or the CSA defined below shall pay or transfer the amount(s) or assets (as applicable), if any, that is/are not in dispute and (ii) the Calculation Agent and the Authorised Representative shall appoint an independent third party that would qualify as a dealer in obligations of the form or type as are in dispute (a “**Substitute Swap**”).

Calculation Agent”) to resolve the dispute, the determination of which shall be final and binding absent manifest error. If the Calculation Agent and the Authorised Representative cannot agree on a Substitute Swap Calculation Agent, then the Authorised Representative may select a Substitute Swap Calculation Agent in its discretion with the prior consent of the Calculation Agent (such consent not to be unreasonably withheld or delayed).

Dispute Settlement Method

The following shall be the **“Dispute Settlement Method”** in connection with a Terminated Transaction:

- (i) If the Terminated Transaction is terminated in connection with a Mandatory Redemption Event triggered by an Asset Event or an Asset Restructuring under the Notes, the Calculation Agent will use “Market Quotation” and seek to obtain firm bid quotations (executable between the relevant Reference Market Maker and the Swap Counterparty on behalf of whom the Calculation Agent is seeking the quotation) from Reference Market Makers for the relevant Replacement Transaction under market standard ISDA Master Agreement and Credit Support Annex terms;
- (ii) if the Terminated Transaction is terminated for any other reason than in connection with a Mandatory Redemption Event triggered by an Asset Event or an Asset Restructuring under the Notes, the Calculation Agent will use “Market Quotation” and seek to obtain firm bid quotations (executable between the relevant Reference Market Maker and the Swap Counterparty on behalf of whom the Calculation Agent is seeking the quotation) from Reference Market Makers for the relevant Replacement Transaction on the basis that the Replacement Transaction is subject to documentation on the terms of the Swap and the CSA (or terms substantially similar thereof, with the Swap Counterparty as Calculation Agent, but for the avoidance of doubt not including any reference to the Authorised Representative or any rights of dispute of the Authorised Representative under the Swap or the CSA), but including Asset Event and Asset Restructuring as Additional Termination Events where the Reference Market Maker would be the sole Affected Party.

For the avoidance of any doubt if any transaction is effected between a party and a Reference Market Maker, the Authorised Representative will have no rights under and no interest whatsoever in such transaction.

Determination of Settlement Amount

Notwithstanding the terms of the ISDA, for the purposes of Section 6(e) of the ISDA Master Agreement, the Calculation Agent will determine the Swap Termination Payment with respect to a Terminated Transaction (the **“Settlement Amount”**) for and on behalf of the determining party in its discretion, using whatever methodology it deems appropriate, and will notify such Settlement

Amount to the Issuer, the Swap Counterparty, the Calculation Agent under the Notes and the Authorised Representative, by 5:00 p.m. London time on the date of determination.

If either party (including for the avoidance of doubt, the Authorised Representative (who shall have the right to act on behalf of the Issuer in connection with the determination of the Settlement Amount)) disputes the Calculation Agent's calculation of the Settlement Amount (or any of the component parts thereof) then, following notice of such dispute to the Calculation Agent and the other party and provided that such notice of dispute is provided by 6:00 p.m. London time on the Business Day on which the Settlement Amount is determined, (1) the parties will attempt to resolve the dispute and agree the Settlement Amount, and (2) if they fail to agree the Settlement Amount within one Business Day, the Calculation Agent will, for the purposes of "Market Quotation", seek quotations in respect of the relevant Terminated Transaction(s) from Reference Market Makers under the Dispute Settlement Method above. Any Settlement Amount (as defined in the ISDA) determined in connection with the Dispute Settlement Method will be final and determinative, and not subject to further dispute by either party (or, for the avoidance of doubt, the Authorised Representative on behalf of the Issuer).

Reference Market Makers

The following entities will qualify as "Reference Market Makers" for the purposes of "Dispute Settlement Method" above, provided that each such entity has a long term credit rating of at least A by Standard & Poor's Ratings Service, a Division of The McGraw Hill Companies, Inc. and A1 by Moody's Investors Service, Inc. (and if any such entity does not have a long term credit rating of at least A/A1, or no longer exists, the Calculation Agent under the Swap will determine additional Reference Market Makers who shall thenceforth qualify as "Reference Market Makers"):

Bank of America Merrill Lynch
Barclays
BNP Paribas
Citigroup
Credit Suisse International
Deutsche Bank
HSBC
JP Morgan
Morgan Stanley
Royal Bank Of Scotland
Societe Generale
UBS

The Authorised Representative (for and on behalf of Party B) and the Swap Counterparty may agree in writing from time to time to amend this list provided that notification of such amendments is given to the Trustee, the Issuer and the Noteholders.

TARGET2 Settlement

TARGET2 Settlement Day means a day on which the Trans-

Day European Automated Real Time Gross Settlement Express Transfer System (TARGET2) is operating.

9 CSA Terms

Paragraph 11 of the ISDA CSA is deemed to have been entered into by Party A and Party B on execution of the Drawdown Deed dated the Issue Date.

The following CSA Terms are deemed to supplement the Master CSA Terms set out in the Programme Deed. All references to sub-paragraphs used herein are references to the relevant sub-paragraphs of Paragraph 11 of the ISDA CSA.

Paragraph 11 Elections and Variables

- (a) Base Currency and Eligible Currency.
- (i) "**Base Currency**" means euros ("**EUR**").
 - (ii) "**Eligible Currency**" means any of the Base Currency, Canadian dollar, Japanese Yen, Swedish Krona, Swiss Franc, Sterling or U.S. dollars.
- (b) **Credit Support Obligations**
- (i) **Delivery Amount, Return Amount and Credit Support Amount.**
 - A. The definition of "Delivery Amount" shall be deleted in its entirety and replaced with the following words:

"Delivery Amount" has the meaning specified in Paragraph 2(a), provided, however, that Party A and Party B hereby agree that (i) Party B's obligation to transfer Eligible Credit Support shall at no time exceed the Assets at such time, and (ii) the demand for transfer to be made by the Transferee on or promptly following a Valuation Date, shall be deemed to have been made by the Transferee and received by the Transferor upon the Transferee's receipt of the notification made by the Valuation Agent under Paragraph 3(b).
 - B. The definition of "Return Amount" shall be deleted in its entirety and replaced with the following words:

"Return Amount" has the meaning specified in Paragraph 2(b), *provided, that* Party A and Party B hereby agree that:

 - (i) Party B's obligation to transfer Equivalent Credit Support shall at no time exceed the Assets at such time, and
 - (ii) to the extent that the Credit Support Balance of Party A is comprised of any cash, such cash shall be used to first satisfy any Return Amount.

Notwithstanding the foregoing, in the event that Party A determines in its absolute discretion that (i) any event or circumstance exists which prohibits the transfer by it of Equivalent Credit Support (a "**Transfer Restriction Event**") and (ii) Party A has used its best endeavours to try to effect the transfer which is subject to the Transfer Restriction Event, then Party A shall temporarily, until such time as such Transfer Restriction Event no longer exists, collateralise its obligation to transfer such Equivalent Credit Support (the "**Deferred Credit Support**") with cash collateral in an Eligible

Currency. Such cash collateral shall be adjusted on each Valuation Date such that, as at such Valuation Date, the Value of the cash collateral is no less than the Value of the Deferred Credit Support. Each such adjustment shall be effected by the transfer by the Party B to the Party A or the Party A to the Party B of such amount of cash as is notified to the parties by the Valuation Agent in respect of the relevant Valuation Date. For the avoidance of doubt: (i) there may from time to time be more than one Return Amount that is deferred pursuant to this paragraph, (ii) the relevant Deferred Credit Support shall be reduced to zero upon delivery of the Equivalent Credit Support that was originally scheduled to be delivered by the Party A and the return of the corresponding cash collateral, (iii) the obligations of the Party A to deliver the relevant Return Amount shall not be deemed satisfied by the delivery of such cash collateral but shall remain outstanding until delivery of the Equivalent Credit Support that was originally scheduled to be delivered by the Party A in respect of such return Amount, (iv) until the obligations of the Party A to deliver the relevant Return Amount have been satisfied, the Party A shall continue to perform its obligations to transfer Equivalent Distributions under paragraph 5(c) and (v) until such time as Party A determines in its absolute discretion that such Transfer Restriction Event no longer exists and as long as Party A (a) transfers cash collateral as described above and (b) transfers the Equivalent Distributions under Paragraph 5(c) as described above, the failure by the Party A to deliver the Return Amount shall not constitute a Failure to Pay or Deliver or any other Event of Default under Section 5(a) of the Swap.

- (ii) **Eligible Credit Support.** The following items will qualify as “**Eligible Credit Support**” for the relevant Party:

		Party A	Party B	Valuation Percentage
(A)	Cash in the Eligible Currency	X		100%
(B)	Assets		X	95%
(C)	Eligible Assets where the Eligible Country is one of France, Germany or the United States	X		99%
(D)	Eligible Assets where the Eligible Country is Italy	X		95%

“**Eligible Assets**” means an obligation that (i) is not an obligation of Party A or an Affiliate of Party A and (ii) is one of the following:

- (A) the Assets issued by the Asset Issuer
- (B) Any obligation (I) issued by a Governmental Authority of an Eligible Country and (II) that has a maturity of no greater than 30 years at the time of transfer pursuant to this CSA. *For the avoidance of doubt, this shall not include securities guaranteed by, but not issued by, a Governmental Authority of an Eligible Country.*

"Eligible Country" means any of the following countries: France, Germany, Italy and the United States of America.

"Governmental Authority" means any de facto or de jure government including, but not limited to, national or federal governments and excluding local or regional governments.

(iii) **Thresholds**

A. **"Independent Amount"** means with respect to Party A: zero.

"Independent Amount" means with respect to Party B: zero.

B. **"Threshold"** means with respect to Party A: zero.

"Threshold" means, with respect to Party B: zero.

C. **"Minimum Transfer Amount"** means with respect to Party A: EUR 100,000.

"Minimum Transfer Amount" means with respect to Party B: EUR 100,000.

D. **"Rounding"** The Delivery Amount and the Return Amount, respectively will be rounded up and down to the nearest integral multiple of EUR 1 (half of one euro being rounded up), provided that in the case of Eligible Collateral comprising Securities. In the event that Party A is due to pay a Delivery Amount or a Return Amount, the quantity of Securities to be delivered or returned (the **"Delivery Quantity"** or **"Return Quantity"** as appropriate) shall be rounded up to the nearest whole denominations. Conversely, in the event that Party A is due to receive a Delivery Quantity or Return Quantity, such Quantity shall be rounded down to the nearest denomination.

(c) **Valuation and Timing**

(i) **"Valuation Agent"** means the Calculation Agent from time to time under the Notes.

(ii) **"Valuation Date"** means the Effective Date and each London Business Day thereafter.

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

(iv) **"Notification Time"** means 3:00 p.m., London time, on a Local Business Day.

(d) **Distributions and Interest Amount**

(i) **Interest Rate.** "Interest Rate" for any day means, where the Eligible Credit Support comprises cash, an interest rate per annum or in relation to each Eligible Currency specified below in respect of such day determined by the Valuation Agent in accordance with the following table, save that with respect to Party B, such interest rate shall be subject to Party B receiving the same from the Custodian:

Eligible Currency	Interest Rate	Screen Rate
USD	Screen Rate minus 0.25%	FEDFUNDS1
Euro	Screen Rate minus 0.25%	EONIA
Pound Sterling	Screen Rate minus 0.25%	SONIA
Swedish Krona	Screen Rate minus 0.25%	STIB1D
Canadian Dollar	Screen Rate minus 0.25%	CD000/N
Swiss Franc	Screen Rate minus 0.25%	TOIS
Japanese Yen	Screen Rate minus 0.25%	MUTSCALM

where:

“**Screen Rate**” means, for any day, an interest rate per annum determined by the Valuation Agent equal to: (i) in the case of USD, Euro and Pound Sterling, the rate for deposits in the relevant Eligible Currency for a designated maturity of 1 day that appears on such Reuters Screen in respect of that day and (ii) in the case of Swedish Krona, Canadian Dollar, Swiss Franc and Japanese Yen, the rate for deposits in the relevant Eligible Currency that appears on such Bloomberg Screen in respect of that day, provided, that, if Rate Source is unavailable for any reason, then the Screen Rate shall be as published on the Rate Source on the preceding Local Business Day, unless the Valuation Agent selects an alternative source (which it may do in its absolute discretion).

(e) **Other Provisions**

(i) **Notices.** Any communication by a party (“X”) to the other party (“Y”) requesting the delivery or return of Eligible Credit Support pursuant to Section 3 of this Annex must be made in writing as set forth below:

(a) in the case of Party A: Goldman Sachs International
133 Fleet Street
London EC4A 2BB
United Kingdom

Attention: Legal Department
Fax No.: +44 20 7552 0925

(b) in the case of Party B: Signum Finance II Plc
5 Harbourmaster Place
IFSC
Dublin 1
Ireland

Attention: The Directors
Fax No.: +353 1 680 6050

and

The Bank of New York Mellon, acting through its London branch (the “**Custodian**”) One Canada Square London E14 5AL United Kingdom

Attention: Manager, Corporate Trust Administration

Fax No.: +44 20 7964 2532

with a copy to:

BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”) One Canada Square London E14 5AL United Kingdom

Attention: Manager, Trustee Administration

Fax No.: +44 20 7964 2531

Any such communication will be deemed received and effective when it is received by Y.

- (ii) **Local Business Day.** Notwithstanding anything to the contrary contained herein, “**Local Business Day**” means any day other than a Saturday or a Sunday on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York (including any day on which the TARGET system is operating).
- (iii) **No Noteholder delivery or return of Eligible Credit Support.** For the avoidance of doubt, no party other than Party A and/or Party B under this Swap shall have any obligation to deliver or return Eligible Credit Support.

10 Modifications to the Base Conditions

For the purposes of the Notes only, the Base Conditions shall be modified as follows:

- (a) Condition 5.2(a) shall be amended by the deletion of ‘the occurrence of’ in the first line of such Condition and the insertion of the following in its place:

“the determination by the Calculation Agent (any such determination to be notified to the Issuer, the Trustee, the Swap Counterparty, the Noteholders and the Authorised Representative)”.
- (b) Condition 5.2(a)(ii) shall be deleted in its entirety and replaced with the following:
 - “(ii) **Tax Redemption Event:** an Adverse Tax Event, the Issuer will immediately inform the Trustee of such event. During the applicable ATE Grace Period it is envisaged that the Arranger and the Authorised Representative (on behalf of 100 per cent. of the Noteholders) will use reasonable efforts to discuss a restructuring of the Conditions of the Notes, (including, without limitation, discussions as to the possibilities of changing the jurisdiction of establishment of the Issuer (or novating to an alternative Issuer), amending the payment obligations under the Notes and/or the Swap or other Transaction Agreements to take into account any Taxes). If, on the ATE Grace Period End Date, the Trustee has not approved the restructuring of

the Conditions of the Notes, a Tax Redemption Event will be deemed to have occurred and the Issuer will give a Notice of Redemption and will redeem all of the Notes at their Mandatory Redemption Amount on the Mandatory Redemption Date. With respect to any Connected Jurisdiction Tax, the Issuer shall deduct such Connected Jurisdiction Tax from the amounts payable to the relevant Noteholder(s) and all other Noteholders shall receive the due amounts payable to them and the Notes shall not be redeemed and no Tax Redemption Event shall occur as a result of such deduction;

For the purposes of these Conditions, "**ATE Grace Period**" means, in respect of a Adverse Tax Event, the period beginning on the date of the determination by the Calculation Agent of the occurrence of such Adverse Tax Event (the "**ATE Grace Period Start Date**") and ending on the date falling on the earlier to occur of (i) 3 months following the ATE Grace Period Start Date and (ii) the Business Day immediately prior to the Maturity Date (the "**ATE Grace Period End Date**").

(c) A new Base Condition 5.2(a)(vii) shall be inserted as follows:

(vii) **Asset Restructuring Event:** Upon the occurrence of an Asset Restructuring, the Calculation Agent shall promptly notify the Issuer and the Trustee of such event. During the applicable AR Grace Period, the Arranger will use its best efforts to propose, if it determines it to be feasible to do so, on or before the fourth Business Day following the AR Grace Period Start Date, to the Authorised Representative a restructuring of the Conditions of the Notes and any Transaction Agreement (an "**AR Note Restructuring**") to modify, at prevailing market conditions, the interest amounts payable under the Notes (and corresponding amendments to the Swap Counterparty cash-flows under the Swap), and in cases where the Asset Restructuring is one under limb (iii) of the definition of Asset Restructuring potentially amending the relevant payment and/or maturity dates, to preserve the Final Redemption Amount and the Final Exchange Amounts under the Swap, to take account of such Asset Restructuring. Any proposed AR Note Restructuring may take into account any amounts due but unpaid under the Swap (and notional interest on such amounts at a rate determined by the Arranger, acting reasonably). The Arranger will, on request and for the purposes only of any discussions in connection with an AR Note Restructuring, provide to the Authorised Representative and the Trustee with such details as it considers reasonable setting out the basis of any AR Note Restructuring proposed, provided that in particular any such details, prices or levels provided shall not constitute any form of bid or offer, and shall be provided only for information and discussion purposes.

Proposing an AR Note Restructuring may not be possible in all circumstances, and for the avoidance of doubt the Arranger is under no obligation to propose an AR Note Restructuring if it does not consider it feasible or possible to do so (but if so it will use its best efforts to provide the rationale as to the lack of feasibility to the Authorised Representative and the Trustee as the principal debtor under the Notes). The Arranger, the Authorised Representative, the Trustee and the other Transaction Counterparties will be under no obligation to agree to any restructuring or amendment of the Notes or the Swap.

If, on the AR Grace Period End Date, the Trustee has not approved a restructuring of the Conditions of the Notes and/or the relevant Transaction Agreements, an Asset Restructuring Event will be deemed to have occurred and the Issuer will give

a Notice of Redemption and will redeem all of the Notes at their Mandatory Redemption Amount on the Mandatory Redemption Date.”.

(d) A new Condition 5.8 shall be inserted as follows:

“5.8 **Agent Replacement Option** (the “**Agent Replacement Option**”), where the Agent Replacement Option is specified to be applicable:

5.8.1 Following the occurrence of an Insolvency Event with respect to any Agent other than the Disposal Agent, the Calculation Agent and the Custodian (which event shall be an “**Agent Replacement Event**” and such Agent shall be the “**Affected Agent**”), subject to payment of all relevant fees and expenses incurred or to be incurred by or on behalf of the Issuer in connection with the replacement of any Affected Agent (including, without limitation, any difference in fees or charges of any Nominated Replacement Agent (as defined below) over the fees or charges of the Affected Agent) by the Noteholders to or to the order of the Issuer, then either:

- (i) the Authorised Representative and the Calculation Agent may agree to replace the Affected Agent with a replacement agent (the “**Nominated Replacement Agent**”); or
- (ii) if the Authorised Representative and Calculation Agent fail to agree on the replacement agent in accordance with Condition 5.8.1(i) above, the Calculation Agent may (but shall not be obliged to) select a replacement agent (the “**Nominated Replacement Agent**”) for the Affected Agent at its discretion, subject to the consent of the Authorised Representative (which shall not be unreasonably withheld or delayed);

and if such a Nominated Replacement Agent is so selected, the Calculation Agent shall deliver to the Issuer, the Trustee and the other Transaction Counterparties a Third Party Agent Replacement Notice (requesting that the Nominated Replacement Agent be appointed as the replacement for the Affected Agent).

5.8.2 With respect to the Custodian only, following the occurrence of an event which would constitute a Settlement/Custodial Event (regardless of whether such event is applicable in respect of the Notes) (which shall be an “**Agent Replacement Event**”, in respect of which the Custodian shall be the “**Affected Agent**”), the Swap Counterparty, provided that the entity selected at its discretion is a reputable institutional custodian providing custody services in respect of assets similar in nature and character to those which comprise the Assets (but not an entity within the Goldman Sachs group or an affiliate), shall have the option to replace the Custodian (such replacement custodian, the “**Nominated Replacement Agent**”), by delivering to the Issuer, the Trustee and the other Transaction Counterparties a Third Party Agent Replacement Notice (requesting that the Nominated Replacement Agent be appointed as the replacement for the Custodian).

5.8.3 With respect to the Calculation Agent only, following an Insolvency Event with respect to the Calculation Agent (which shall be an “**Agent Replacement Event**”, in respect of which the Calculation Agent shall be the “**Affected Agent**”), the Authorised Representative shall have the option to replace the Calculation Agent (such replacement calculation agent, the “**Nominated Replacement Agent**”), by delivering to the Issuer, the Trustee and the other Transaction Counterparties a Third Party Agent Replacement Notice (requesting that the Nominated Replacement Agent be appointed as the replacement Calculation Agent);

5.8.4 With respect to the Disposal Agent following the occurrence of,

- (i) a Mandatory Redemption Event under the Notes as a result of a Swap Event caused by an Event of Default under (and as defined in) the Swap in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Swap) , or
- (ii) an Insolvency Event in respect of the Disposal Agent,

(in each case the Affected Agent shall be the Disposal Agent), the Authorised Representative shall have the option to replace the Disposal Agent (such replacement disposal agent, the "**Nominated Replacement Agent**"), by delivering a notice (a "**Disposal Agent Replacement Notice**") to the Issuer, the Trustee and the Disposal Agent, requesting that the Issuer appoint the Nominated Replacement Agent as the Disposal Agent and containing a signed agreement and acknowledgement by the Nominated Replacement Agent that:

- A. it undertakes to the other Transaction Counterparties (to their satisfaction, acting reasonably) to perform all the duties and obligations of the Disposal Agent under the Transaction Agreements, and
- B. it shall perform its duties as Disposal Agent in good faith and in a commercially reasonable manner and otherwise in accordance with the terms of the Transaction Agreements.

5.8.5 Upon receipt of a Third Party Agent Replacement Notice or a Disposal Agent Replacement Notice (as applicable), the Trustee shall deliver a Replacement Confirmation notifying the Noteholders, the Issuer and the Transaction Counterparties that it has received the Third Party Agent Replacement Notice or the Disposal Agent Replacement Notice (as applicable). For the avoidance of doubt, the actions taken by the Trustee pursuant to its delivery of a Replacement Confirmation shall not be regarded as the Trustee taking action requiring the Trustee to be indemnified and/or secured to its satisfaction.

5.8.6 Under the Drawdown Deed, upon receipt by the Issuer and the relevant Transaction Counterparties of a Replacement Confirmation, the Issuer, the Trustee, the other Transaction Counterparties, the Authorised Representative and the Noteholders shall be deemed to agree to the transfer by novation of all the rights and obligations (other than any Accrued Affected Agent Rights) of the relevant Affected Agents to the Nominated Replacement Agent and an Agent replacement shall be automatically effected.

5.8.7 An "**Agent Replacement**" shall be deemed to have occurred with the automatic termination of the appointment of an Affected Agent and the deemed appointment of the related Nominated Replacement Agent in place of such Affected Agent."

(e) A new Base Condition 15.7 shall be inserted as follows:

"15.7 Dispute Resolution: Where the Authorised Representative disputes any determination, calculation or estimate made by a calculation agent in respect of the Notes or the Swap or the Valuation Agent in respect of the Swap, as the case may be, which dispute cannot be resolved within twenty-four hours commencing from the time such determination, calculation or estimate in dispute is notified to the Authorised Representative (whether in its capacity as Authorised Representative or Noteholder as the case may be), then, notwithstanding the Agent Replacement

provisions set out above and Paragraph 4 (*Dispute Resolution*) of the Credit Support Annex, (i) the relevant party under the terms of the Swap or the Notes, as applicable, shall pay the amount, if any, that is not in dispute and (ii) the Issuer, acting on the written instruction of the Authorised Representative, and the Swap Counterparty shall agree to appoint an independent third party that would qualify as a dealer in obligations of the form or type as are in dispute (a "**Substitute Calculation Agent**") to resolve the dispute, the determination of which shall be final and binding absent manifest error and which shall be notified to the Calculation Agent.

If the parties cannot agree on a Substitute Calculation Agent, then the Issuer, acting on the instruction of the Authorised Representative, may select a replacement Substitute Calculation Agent in its discretion with the prior consent of the Calculation Agent (such consent not to be unreasonably withheld or delayed).

On resolution of the dispute, the parties shall be put in such position that they would have been in had the resolved determination, calculation or estimate made by a calculation agent in respect of the Notes or the Swap as the case may be, been the disputed determination, calculation or estimate as the case may be provided that there shall be no compensation for any delay in making payments due to such payments being in dispute in accordance with this provision or for any interest that would have accrued on payments or otherwise had such payments been made in full on the scheduled date for payment."

- (f) The definition of "**Adverse Tax Event**" in Section C of the above Conditions shall be deleted in its entirety and replaced with the following:

""**Adverse Tax Event**" means that the Calculation Agent determines that:

- (i) the Issuer would suffer, as consequence of any change in applicable law or as a result of any actions taken by, or the practice of, any relevant governmental revenue authority, in each case, on or after the Trade Date, any Tax, or where any Tax was anticipated, any Tax in excess of the amount of Tax so anticipated, in respect of its income or any capital gain,
- (ii) the Issuer would be required, by any change in applicable law or as a result of any actions taken by, or the practice of, any relevant governmental revenue authority, in each case on or after the Trade Date, to make a deduction or withholding at a rate in excess of any previously applicable rate of such Tax in respect of any payment to be made by it in respect of the Notes or any Transaction Agreement (other than, in any case, a Connected Jurisdiction Tax), or
- (iii) the Issuer would suffer, as consequence of any change in applicable law or as a result of any actions taken by, or the practice of, any relevant governmental revenue authority, in each case on or after the Trade Date, any Tax at a rate in excess of any previously applicable rate of such Tax in respect of any payment to be received by it in respect of any Secured Property."

- (g) The definition of "Tax Redemption Event" in Section C of the Base Conditions shall be deleted in its entirety and replaced with the following:

""**Tax Redemption Event**" means, where there has been an Adverse Tax Event and the Trustee has not approved a restructuring of the Conditions of the Notes."

- (h) The definition of "Settlement/Custodial Event" in Section C of the Base Conditions shall be amended by the addition of ", provided in each case the event has occurred and has not been remedied for at least 5 Business Days following the date of determination of such event by the Calculation Agent (such period, the **"Settlement/Custodial Event Grace Period"**)" after 'without the prior consent of the Issuer)' and prior to '.

11 Additional Definitions

For the purposes of the Notes only:

"Affected Assets" means, with respect to any Mandatory Redemption in accordance with Base Condition 5.2(a), for the purpose of determining the Mandatory Redemption Amount in Additional Condition 4(c) and/or the Method of Disposal provisions in Additional Condition 7(e), the Assets subject to the Asset Event or other Mandatory Redemption Event (excluding any Assets posted by the Issuer to the Swap Counterparty under the CSA) including, for the avoidance of doubt, the Credit Support Assets (if any) held by or on behalf of the Issuer at the relevant time.

"AR Grace Period" means, in respect of an Asset Restructuring, the period beginning on the date of the determination by the Calculation Agent of the occurrence of such Asset Restructuring (the **"AR Grace Period Start Date"**) and ending at 3:00 p.m. (London time) on the earlier to occur of (i) the Business Day following the AR Note Restructuring Proposal Date, (ii) the fifth Business Day following the AR Grace Period Start Date and (iii) the Business Day immediately prior to the Maturity Date (the **"AR Grace Period End Date"**).

"AR Note Restructuring Proposal Date" means the date, falling in the applicable AR Grace Period, on which the Arranger first communicates a proposal to the Authorised Representative (on behalf of 100 per cent. of the Noteholders) for the restructuring of the Notes in accordance with Base Condition 5.2(a)(vii).

"Asset Conditions" means the terms and conditions of the Assets as at the Trade Date.

"Assets" means the transferable securities or cash specified as such together with the Issuer's Asset Rights. Where any Assets are cash or negotiable instruments, they will be held by the Custodian on the Issuer's behalf subject to the Security. The term "Assets" shall include:

- (i) any further transferable securities or cash acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series with the Notes;
- (ii) any transferable securities or cash acquired by the Issuer by way of substitution or replacement of any Assets previously held by it;
- (iii) any security into which any of the Assets is converted or exchanged or that is issued to a holder of any of the Assets by virtue of its holding thereof; and
- (iv) any transferable securities or cash acquired by the Issuer pursuant to any credit support document entered into in connection with the Notes.

"Asset Restructuring" means that, with respect to any Assets, any one or more of the following events has occurred (whether by operation of law, by agreement with holders of such Assets, or otherwise) in a form that binds all holders of the relevant Asset, as determined by the Calculation Agent:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
- (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;

- (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest and/or (B) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of the relevant obligation, causing the subordination of such obligation to any other obligation of the Asset issuer, guarantor or other obligor in respect of the relevant Assets; or
- (v) any change in the currency or composition of any payment of interest or principal.

"ATE Gross Up Deduction Amount" means, as of an Interest Payment Date, the aggregate of all ATE Gross Up Amounts paid by the Issuer prior to such Interest Payment Date, plus accrued interest on such amount at EONIA, calculated and compounded daily from (and including) the date of payment of the relevant ATE Gross Up Amount to (but excluding) the date of deduction from the relevant scheduled Interest Amount (in accordance with Additional Condition 3(k)(B)).

"Authorised Representative" means AXA MPS Assicurazioni Vita S.P.A or such other party as may from time to time be appointed by a 100% Noteholder. For the avoidance of doubt, the Authorised Representative will act for and on behalf of the Noteholders and may be replaced with an alternative Authorised Representative upon such direction to the Issuer (with a copy to each Transaction Counterparty) by a 100% Noteholder. The Issuer and each Transaction Counterparty shall have no liability to any person for acting on the instructions of any person that they in good faith believe to be the Authorised Representative.

"Credit Support Assets" means any items comprising the Credit Support Balance (if any) (as defined in the CSA) held by the Issuer (or the Custodian on the Issuer's behalf) pursuant to the CSA.

"Defaulted Asset" means Assets (but excluding any Credit Support Assets) any part of which the Calculation Agent has determined, (i) unless the Trustee otherwise agrees, are the subject of a payment default or (ii) have become repayable prior to their stated date of maturity otherwise than in accordance with their scheduled repayment profile or as a result of the exercise of an issuer option or a holder option unless such option arises as a result of an event of default, a tax event or other similar event (as determined by the Calculation Agent in its sole discretion), provided, in each case the event has occurred and has not been remedied for at least 5 Business Days following the date of determination of such event by the Calculation Agent (such period, the **"Defaulted Asset Grace Period"**).

"Gross Up Excess Trigger Event" means that, in respect of the Maturity Date and a Note, if the relevant Gross Up Deduction Amount does exceed (or will exceed, each as determined by the Calculation Agent) the Interest Amount payable in respect of such date and such Note, then a Mandatory Redemption Event will occur and the Issuer will give a Notice of Redemption and will redeem all of the Notes at their Mandatory Redemption Amount on the Mandatory Redemption Date. The Gross Up Excess Trigger Event may only occur in the period beginning on, and including, the date four months prior to the Maturity Date and ending on, but including, the Maturity Date.

"Gross Up Tax" means any Tax imposed on or after the Issue Date in respect of any payments of interest on the Notes by the Issuer to any Noteholder organised or domiciled in the Republic of Italy as a result of which the Issuer is required to deduct or withhold any amounts in respect of such Tax from such payments of interest.

"Insolvency Event" means, with respect to an entity, that such entity (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(iv)(A) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) above (inclusive) or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"Notice of Redemption" means a notice delivered by the Issuer to the Trustee and the Authorised Representative (for and on behalf of 100% of Noteholders and in lieu of the Issuer's delivery of such Notice to the Noteholders).

"Replacement Confirmation" means a notice from the Trustee to the Noteholders, the Issuer and the Transaction Counterparties notifying them that it has received a valid Third Party Agent Replacement Notice or Disposal Agent Replacement Notice.

"Swap Gross Up Deduction Amount" means, as of an Interest Payment Date, the aggregate of all Swap Gross Up Amounts paid by the Swap Counterparty to the Issuer under the Swap prior to such Interest Payment Date, plus accrued interest on such amount at EONIA, calculated and compounded daily from (and including) the date of payment of the relevant Swap Gross Up Amounts to (but excluding) the date of deduction from the relevant scheduled Interest Amount (in accordance with Additional Condition 3(k)(B)).

"Tax" includes any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority other than a stamp, registration, documentation or similar tax.

"Third Party Agent Replacement Notice" means a notice delivered by the relevant party to the Issuer, the Trustee and the other Transaction Counterparties which:

- (i) contains confirmation that an Agent Replacement Event has occurred;
- (ii) contains a request that the Issuer appoint the Nominated Replacement Agent as the replacement for one or more Affected Agents;
- (iii) contains a signed agreement and acknowledgment by the Nominated Replacement Agent providing that:
 - A. it accepts such appointment on the same (or substantially the same) terms as those that applied to the Agent (including its duties as Calculation Agent under the Swap and as Valuation Agent in respect of the CSA as applicable) immediately

prior to the occurrence of the Agent Replacement Event and agrees to such appointment being effected in the manner set out in the Drawdown Deed;

- B. it undertakes to the other Transaction Counterparties (to their satisfaction, acting reasonably), that if appointed as a replacement for an Affected Agent, it shall perform its duties as such Affected Agent in relation to the Notes and/or the Swap, as the case may be, in good faith and in a commercially reasonable manner and otherwise in accordance with the terms of the Transaction Agreements; and
- C. it represents that it has the requisite regulatory approvals required in order to carry out the duties of a Calculation Agent or another Agent (as applicable).

Use of Proceeds

The net proceeds of the issue of the Notes will be used in or towards the acquisition of the related Assets and in making payments under other contracts entered into in connection with the issue of the Notes.

General Information

- (1) The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the Board of Directors passed on 6 September 2011.
- (2) Save as disclosed herein, there has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since 31 December 2010.
- (3) The auditor of the Issuer is Deloitte & Touche of Deloitte & Touche House, Earlsfort Terrace, Dublin 2, Ireland, Chartered Accountants (a member of the Institute of Chartered Accountants in Ireland and qualified to act as Auditors in Ireland).
- (4) The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such procedures which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus that may have, or have had in the recent past, a significant effect, in the context of the issue of Notes on its financial position or profitability.
- (5) The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems.
- (6) The estimated total expenses relating to the admission of the Notes to trading is €2,532.40.
- (7) For so long as the Notes are outstanding (in respect of 7(a) to (d)) and for so long as the Notes are listed, from the date of the relevant document (in respect of 7(e)), the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and at the specified office of The Bank of New York Mellon (Luxembourg) S.A.:
 - (a) the Programme Deed;
 - (b) the Memorandum and Articles of Association of the Issuer;
 - (c) the Certificate of Incorporation of the Issuer;
 - (d) a copy of this Prospectus together with any document incorporated by reference in this Prospectus; and
 - (e) all audited annual financial statements of the Issuer as and when published.
- (8) The Issuer will not be providing any post-issuance information relating to the Notes nor the performance of the Assets.
- (9) The Swap Guarantor is The Goldman Sachs Group, Inc. The Goldman Sachs Group, Inc. is a global investment banking and securities firm specialising in investment banking, trading and principal investments, and asset management and securities services. The company provides services to corporations, financial institutions, governments, and high-net worth individuals. The Goldman Sachs Group, Inc. has securities listed on the Luxembourg Stock Exchange, New York Stock Exchange and Frankfurt Stock Exchange. The Goldman Sachs Group, Inc. is incorporated in Delaware, United States of America. The registered address of Goldman Sachs Group, Inc. is 85 Broad Street, New York, New York 1004, United States of America.

- (10) The Swap Counterparty is Goldman Sachs International. Goldman Sachs International is a subsidiary of Goldman Sachs Group, Inc. and provides the same services as Goldman Sachs Group, Inc. Goldman Sachs International has securities listed on the Luxembourg Stock Exchange, Zurich Stock Exchange, Swiss Stock Exchange and Frankfurt Stock Exchange. Goldman Sachs International is incorporated in the United Kingdom. The registered address of Goldman Sachs International is Peterborough Court, 133 Fleet Street, London EC4A 2BB, United Kingdom.

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