

## ISSUE MEMORANDUM



**Series 95 EUR 3,380,000**

### **Secured Amortising Credit-linked Variable Interest Notes due 2036**

**Issue Price 100 per cent.**

BOATS Investments (Netherlands) B.V. (the "**Issuer**") may issue from time to time Bond Obligation Asset Trust Securities. This Issue Memorandum is the Issue Memorandum applicable to the issue by the Issuer of the Series 95 EUR 3,380,000 Secured Amortising Credit-linked variable Interest Notes due 2036 (the "**Notes**").

Interest will accrue on the Outstanding Principal Amount (as defined herein) of the Notes from the Issue Date and will be payable on each Interest Payment Date, as set out on pages 23 to 25 of this Issue Memorandum. If Credit Suisse International as counterparty (the "**Counterparty**") under the Swap Agreement determines that a Credit Event has occurred and designates a Valuation Date in respect of a Credit Event, the Outstanding Principal Amount of the Notes will be reduced with effect from the Interest Payment Date immediately preceding the Valuation Date in respect of such Credit Event, in accordance with the Terms and Conditions of the Notes.

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed in instalments equal to the relevant Instalment Amount (as defined herein) on each date listed in the first column of Appendix 2, (each an "Instalment Date"). If, under the Swap Agreement, the Counterparty determines that a Credit Event has occurred and the Conditions to Payment have been met and the Counterparty has designated a Valuation Date the Calculation Agent shall calculate the Bond Cashflow Present Value (as defined herein) in accordance with the Conditions.

The Notes reference any Obligations (the "**Reference Obligations**") held by the Custodian pursuant to the Custody Agreement (as defined herein) but which are initially Obligations issued by Credit Suisse First Boston (USA) Incorporated and Household Finance Corporation.

The performance of the Notes will differ significantly from a direct investment in the Reference Obligations. In valuing each Note, the applicable Bond Cashflow Present Value for each Reference Obligation must be accounted for and therefore the prevailing market value of the Notes will not correspond to the aggregate of the prevailing market values of each Reference Obligation.

The Notes are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes and who are required to read "Risk Factors". The Risk Factors, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a proportion of a Noteholder's investment in the Notes.

The obligations of the Issuer under the Trust Deed, the Notes, the Coupons, and the Swap Agreement will be secured by an assignment by way of security of the Issuer's rights under (i) the Agency Agreement insofar as such rights relate to the Notes and any sums related thereto (ii) the Liquidation Agency Agreement and the Purchase Agency Agreement (both as defined herein) and (iii) the Custody Agreement (including the Issuer's rights in respect of the Portfolio (as defined herein)) and sums derived therefrom or related thereto, in each case in favour of the Trustee for the benefit of itself and the Noteholders, the Couponholders and the Counterparty. The Issuer's obligations under the Trust Deed, the Notes and the Coupons will also be secured by an assignment by way of security of the Issuer's rights under the Swap Agreement in favour of the Trustee for the benefit of itself and the Noteholders and Couponholders, subject to an assignment by the Issuer to JP Morgan Chase Bank in its capacity as Principal Paying Agent of the Issuer's right to receive sums due from the Counterparty under the Swap Agreement.

The Notes will not be rated by any rating agency. Application has been made to The Netherlands Authority for the Financial Markets ("**AFM**") as competent authority under Article 2(m)(i) of Directive 2003/71/EC (the "**Prospectus Directive**") for this issue memorandum to be approved. Application will be made to the Irish Stock Exchange for the Notes to be admitted to the official list and trading on its regulated market. No assurance can be given as to when any such listing will be granted, if at all. This Issue Memorandum comprises a prospectus ("**Prospectus**") for the purposes

of the Prospectus Directive. Pursuant to an order of the High Court of England and Wales dated 03 April 2007 with effect from 19 May 2007, all rights and obligations of JPMorgan Chase Bank, N.A. in any capacity in relation to the documents entered into in connection with the Notes (including all existing series of Note) were transferred to The Bank of New York, in the manner and to the extent provided in the Court Order.

The Notes are represented by a Permanent Global Note which was deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg on 28 December 2006. Notes in definitive form will not be issued except in the limited circumstances specified in the Conditions.

## **Credit Suisse International**

The date of this Issue Memorandum is 29 September 2008

This Issue Memorandum includes particulars for the purpose of giving information with regard to the issue by the Issuer of the Notes.

The delivery of this Issue Memorandum at any time does not imply that any information contained herein is correct at any time subsequent to the date thereof.

No person is authorised to give any information or to make any representation not contained in this Issue Memorandum in connection with the issue and sale of the Notes and any information or representation not contained herein must not be relied upon as having been authorised by or on behalf of the Issuer or CSi.

Any prospective purchaser of the Notes should ensure that it understands the nature of the Notes and the extent of its exposure of risk and that it considers the suitability of the Notes as an investment in the light of its own circumstances and financial condition, as a Professional Market Party.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may be offered and sold only to persons who are not “U.S. persons” as defined in, and pursuant to, Regulations under the Securities Act, in a transaction that is exempt from the registration requirements of the Securities Act. The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations.

This Issue Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer or CSi to subscribe or purchase any of the Notes.

The distribution of this Issue Memorandum and the offer of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. In this regard, see further “Subscription and Sale” at page 61 below.

In this Issue Memorandum, references to “EUR” are to Euro.

## TABLE OF CONTENTS

SUMMARY .....	5
RISK FACTORS .....	9
RESPONSIBILITY STATEMENT .....	12
TRANSACTION OVERVIEW .....	13
INCORPORATION BY REFERENCE .....	14
TERMS AND CONDITIONS OF THE NOTES (the “Conditions”) .....	15
USE OF PROCEEDS .....	29
FORM OF THE NOTES .....	29
SUMMARY OF PROVISIONS RELATING TO THE NOTES IN BEARER FORM WHILE REPRESENTED BY A GLOBAL NOTE .....	30
DESCRIPTION AND FORM OF THE SWAP AGREEMENT .....	33
CERTAIN CREDIT EVENT PROVISIONS .....	49
DUTCH TAXATION .....	51
IRISH TAXATION .....	56
INFORMATION RELATING TO COUNTERPARTY .....	58
INFORMATION RELATING TO THE REFERENCE OBLIGATIONS AND THE ISSUERS OF THE REFERENCES OBLIGATIONS .....	59
SUBSCRIPTION AND SALE .....	61
APPENDIX: BASE TERMS AND CONDITIONS OF THE NOTES .....	67
BOATS INVESTMENTS (NETHERLANDS) B.V. ....	86
GENERAL INFORMATION .....	88

## SUMMARY

**THIS SUMMARY MUST BE READ AS AN INTRODUCTION TO THE PROSPECTUS AND ANY DECISION TO INVEST IN THE NOTES SHOULD BE BASED ON A CONSIDERATION OF THE PROSPECTUS AS A WHOLE.**

*Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area, no civil liability will attach to the responsible persons in any such Member State solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus. Where a claim relating to the information contained in the Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.*

*The following summary does not purport to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Issue Memorandum, including without limitation, the Terms and Conditions of the Notes and the Swap Agreement. Words and expressions used but not expressly defined in the summary of the transaction shall have the meanings given to them in the Terms and Conditions of the Notes and the Swap Agreement.*

<b>Issuer:</b>	BOATS Investments (Netherlands) B.V.
<b>Arranger, Counterparty and Calculation Agent:</b>	Credit Suisse International
<b>Principal Paying Agent and Custodian:</b>	The Bank of New York
<b>Trustee:</b>	The Bank of New York
<b>The Notes and the Swap Agreement:</b>	<p>The Notes have an initial Principal Amount of EUR 3,380,000, which shall be redeemed in instalments payable on each Instalment Date, as further provided in Appendix 2 to this Issue Memorandum. The Principal Amount of the Notes is also credit-linked to the Reference Entities. On the Issue Date of the Notes, the Issuer entered into the Swap Agreement with the Counterparty in respect of the Notes.</p> <p>Pursuant to the Swap Agreement, upon the occurrence of a Credit Event in respect of a Reference Entity (and subject to the satisfaction of certain conditions), then the Calculation Agent shall calculate the Bond Cashflow Present Value and the Calculation Agent shall then designate all or part of certain Interest Amounts and Instalment Amounts payable under the Notes are no longer payable. The Affected Reference Obligations shall then be physically delivered to the Noteholders <i>pro rata</i> on the Physical Settlement Date.</p>
<b>Interest:</b>	A fixed amount of interest will be paid on each Interest Payment Date, as set out in Appendix 1 to this Issue Memorandum. Such Interest Amounts are subject to reduction following the occurrence of a Credit Event, as further provided in the Terms and Conditions of the Notes.
<b>Portfolio Exchange:</b>	Under the Swap Agreement, the Counterparty shall have the right at any time, on giving 10 Business Days' notice to the

Issuer, to require a substitution of any Reference Obligation comprised in the Portfolio with new Eligible Investments, subject to the counterparty having obtained the unanimous prior consent of the Noteholders.

**Redemption of Reference Obligations prior to Maturity Date:**

If at any time, any Reference Obligation comprising the Portfolio is redeemed in accordance with its terms prior to the Maturity Date of the Notes, the redemption proceeds of the redeemed Reference Obligation shall be paid by the Issuer to the Counterparty under the Swap Agreement and the Counterparty shall pay an equal amount to the Issuer. All or part of such amount paid by the Counterparty to the Issuer shall then be applied by the Purchase Agent on behalf of the Issuer in the purchase of one or more alternative Eligible Investments as selected by the Purchase Agent in its sole and absolute discretion. Such purchase is subject to the Purchase Agent having obtained the unanimous consent of the Noteholders.

**Form:**

The Notes will be initially represented by beneficial interests in a temporary global note in bearer form (a “**Temporary Global Note**”) which will be deposited with a common depositary for Euroclear Bank S.A./N.V. as operator of the Euroclear System (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”). Beneficial interests in the Temporary Global Note will be exchangeable not earlier than the first day following 40 days after the later of the date of the offering of the Notes and the Issue Date (upon certification of non-US beneficial ownership) for beneficial interests in a permanent global note in bearer form (the “**Permanent Global Note**”) and, together with the Temporary Global Note, the “**Global Notes**”). Except in limited circumstances, bearer definitive Notes will not be issued in exchange for beneficial interests in the Global Notes.

**Authorised Denomination:**

EUR 1

**Issue Price:**

100%

**Status:**

The Notes are limited recourse obligations of the Issuer secured in the manner described herein.

**Limited Recourse:**

Interest and principal on the Notes will be payable only to the extent that funds are available from the Mortgaged Property and the proceeds thereof. If the Mortgaged Property is insufficient to pay any amounts due in respect of the Notes, the Issuer will have no other assets available to meet such insufficiency. In the event that the Security is enforced and after payment of all other claims in the relevant order of priority with a senior priority the remaining proceeds of such enforcement are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, then the Noteholders' claims against the Issuer in respect of the Notes shall be limited to their respective shares of such remaining proceeds and, after payment to each Noteholder of its respective share of such remaining proceeds, the obligations of the Issuer to such Noteholder shall cease to be due and shall be cancelled.

<b>Security:</b>	The “ <b>Security</b> ” for the Notes will be constituted by a Trust Deed entered into by the execution of a Supplemental Trust Deed dated the Issue Date between the Issuer and the Trustee, amongst others (the “ <b>Trust Deed</b> ”). The Portfolio and the other assets and property which are expressed to be subject to the security interests created pursuant to the Trust Deed are set out in item 7 of the Terms of the Notes below and are herein referred to as the “ <b>Mortgaged Property</b> ”.
<b>Early Redemption:</b>	The Notes will be redeemable prior to the Maturity Date only (i) for taxation reasons; or (ii) upon the termination of the Swap Agreement on the date of such termination; or (iii) in such circumstances as are specified as Events of Default.
<b>Events of Default:</b>	The Events of Default include, without limitation, unremedied defaults by the Issuer relating to the payment of principal or interest on the Notes and the insolvency of the Issuer. Upon the occurrence of an Event of Default the Trustee may at its discretion (or, in certain cases, shall) deliver a notice to the Issuer and others declaring the Notes to be immediately due and payable.
<b>Priority on Enforcement of Security:</b>	<p>After meeting the expenses and remuneration due to the Trustee or to any receiver appointed, the net proceeds of enforcement of the security constituted under the Trust Deed will be applied as follows:</p> <ul style="list-style-type: none"> <li>(i) first, in payment of the Trustee’s expenses, liabilities, remuneration and any other amounts due to the Trustee;</li> <li>(ii) secondly, in meeting the claims (if any) of the Swap Counterparty under the Swap Agreement;</li> <li>(iii) thirdly, in paying amounts due to each of the Noteholders and Couponholders in respect of the principal outstanding in respect of the Notes and any interest or other amounts payable thereunder.</li> </ul>
<b>Use of Proceeds:</b>	The net proceeds from the issue of the Notes, being EUR 3,380,000, were used by the Issuer to purchase the Portfolio.
<b>Issue Date:</b>	28 December 2006.
<b>Maturity Date:</b>	01 September 2036.
<b>Listing:</b>	Application will be made to list the Notes on the Irish Stock Exchange but no assurance can be given that such application will be granted.
<b>Business Days:</b>	London and TARGET Settlement Days.
<b>Governing Law:</b>	The Notes will be governed by, and construed in accordance with, English law.
<b>Risk Factors:</b>	The purchase of, or investment in, the Notes involves substantial risks. Each prospective purchaser of, or investor, in Notes should be familiar with instruments having characteristics similar to the

Notes and should fully understand the Terms and Conditions of the Notes and the nature and extent of its exposure to risk of loss.

There are certain risks relating to the Issuer and the Notes including but not limited to:

The risks relating to the Issuer include the fact that the Issuer is a special purpose vehicle established, *inter alia*, for the purpose of issuing Notes. The Notes are solely obligations of the Issuer and none of the Counterparty or any Reference Entity has any obligations to Noteholders for payment of any amount due in respect of the Notes.

The risks relating to the Notes include the fact that the Notes can be volatile instruments and are subject to, *inter alia*, the credit risk of the Reference Entities and the Counterparty. The Issue Price of the Notes may not reflect the market value of the Notes. Furthermore, if the Notes are redeemed early pursuant to their terms, the amount returned to any Noteholder may be less than the amount originally invested. In addition, no secondary market is likely to develop and if there is such a market, no assurance can be given as to the liquidity of the Notes.

The Issuer, the Arranger and the Calculation Agent and/or their respective subsidiaries may have interests that conflict with those of the holders of the Notes.

**Each prospective investor should ensure that it fully understands the nature of the transaction into which it is entering and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment. See section entitled “Risk Factors” in this Issue Memorandum.**



## RISK FACTORS

The purchase of Notes involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, a prospective purchaser of the Notes should consider carefully, in the light of its own financial circumstances and investment objectives, the considerations set forth below together with any other considerations deemed appropriate by the prospective purchaser. Prospective purchasers of Notes should make such enquiries as they think appropriate about the Notes, the Issuer, each Reference Entity and the Counterparty, without relying on the Issuer or the Counterparty or any affiliate of the Counterparty. The following investment considerations, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a portion of a Noteholder's investment in the Notes. Each prospective purchaser of Notes is solely responsible for making its own independent appraisal of all such matters and such other matters as the prospective purchaser deems appropriate, in determining whether to purchase Notes and that an investment in the Notes is suitable for its investment purposes. References to the Counterparty are to Credit Suisse International and, in this section, includes its affiliates. Other capitalised terms used but not defined in this section shall have the respective meanings given to them in "Terms and Conditions of the Notes" or the "Base Terms and Conditions of the Notes".

Investment in the Notes is only suitable for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the information contained in this Issue Memorandum and the merits and risks of an investment in the Notes in the context of the investor's own financial, tax and regulatory circumstances and investment objectives.

Investment in the Notes (or a participation therein) is only suitable for investors who:

- (1) are capable of bearing the economic risk of an investment in the Notes (or a participation therein) for an indefinite period of time;
- (2) are acquiring an interest in the Notes (or a participation therein) for their own account for investment, not with a view to resale, distribution or other disposition of such interest (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (3) recognise that it may not be possible to make any transfer of the Notes (or a participation therein) for a substantial period of time, if at all.

The Issuer, the Arranger or any Dealer may, in its discretion, disregard interest shown by a prospective investor even though that investor satisfies the foregoing suitability standards.

**Notes issued by the Issuer may be illiquid and/or leveraged investments, the purchase of which involves substantial risks. None of the Issuer, the Arranger or any Dealer will undertake to make a market in the Notes.**

**Investors' attention is also drawn to the Taxation section of this Issue Memorandum.**

The tax consequences for each investor in the Notes can be different and therefore investors are advised to consult with their tax advisers as to their specific consequences.

### **Limitations on claims against the Issuer**

The Notes are solely obligations of the Issuer and none of the Counterparty or any Reference Entity has any obligation to the Noteholders for payment of any amount due in respect of the Notes. The Issuer is a special purpose company established, *inter alia*, for the purpose of issuing the Notes. The Notes are limited in recourse, *inter alia*, to the Swap Agreement and the Portfolio held pursuant to the Custody Agreement. Following termination of the Swap Agreement and its

enforcement against the Counterparty and enforcement of the Custody Agreement against the Custodian (including realisation of the Portfolio), there will be no other assets of the Issuer available to meet any outstanding claims of the Noteholders, who will bear such shortfall pro rata to their holdings of Notes.

### **Credit risk**

The Notes are subject to the credit risk of each Reference Entity and the Counterparty. Any prospective purchaser of the Notes should have such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits, risks and suitability of investing in the Notes. Neither the Issuer nor the Counterparty purports to be a source of information and credit analysis with respect to any Reference Entity or the Counterparty.

### **Provision of information**

Neither the Issuer nor the Counterparty (i) has provided or will provide prospective purchasers of Notes with any information or advice with respect to any Reference Entity or the Counterparty, or (ii) makes any representation as to the credit quality of any Reference Entity or the Counterparty and (iii) the Issuer and the Counterparty may have acquired, or during the term of the Notes may acquire, non-public information with respect to any Reference Entity which will not be disclosed to holders of Notes.

The timing and limited scope of the information provided to Noteholders regarding any Reference Entity and/or the occurrence of a Credit Event may affect the liquidity of the Notes and the ability of Noteholders to value the Notes accordingly. Neither the Issuer nor CSi is under any obligation to make such information, whether or not confidential, available to Noteholders.

### **Business relationships**

The following paragraphs describe any interest, including conflicting ones, that are material to the issue of the Notes, the persons involved and the nature of those interests.

The Issuer and/or the Counterparty may have existing or future business relationships with each Reference Entity (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

The Issuer and the Counterparty may deal in each Reference Obligation and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity or any other person or entity having obligations relating to a Reference Entity and may act with respect to such business in the same manner as each of them would had the Notes not been in issue, regardless of whether any such action might have an adverse effect on a Reference Entity or the position of a Noteholder or otherwise (including any action which might constitute or give rise to a Credit Event).

### **No claim against any Reference Entity**

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

### **Determinations**

The determination as to whether a Credit Event has occurred shall be made by the Counterparty under the Swap Agreement and without regard to any related determination by the Reference

Entity or any action taken, omitted to be taken or suffered to be taken by any other person including, without limitation, any creditor of a Reference Entity.

## **Taxation**

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. The Issuer will not pay any additional amounts to Noteholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes.

## **Legality of purchase**

Neither the Issuer nor the Counterparty has or assumes responsibility for the lawfulness of a prospective purchaser's acquisition of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different) or the compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it. A prospective purchaser of the Notes may not rely on the Issuer or the Counterparty in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

## **Independent review and advice**

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes: (i) is fully consistent with its (or, if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition; (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity); and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

## **No Secondary Market**

No secondary market is expected to develop in respect of the Notes and, in the unlikely event that a secondary market in the Notes does develop, there can be no assurance that it will continue. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and other risks outlined in this section "Risk Factors" associated with an investment in the Notes.

## **No reliance**

A prospective purchaser may not rely on the Issuer, the Counterparty or any affiliate of the Counterparty in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Neither the Issuer nor the Counterparty has any duty, obligation or responsibility towards a Noteholder unless otherwise agreed in writing with that Noteholder. In particular, without limiting the foregoing, neither the Issuer nor the Counterparty needs to provide information to, act on the instruction or request of, find alternative mechanisms for realising money for, or take into account the views of any Noteholder. In taking action against third parties, the Issuer and the Counterparty may combine holdings of debt, securities or other interests as they shall see fit and apply proceeds thereof, as they shall see fit. The Issuer may only waive contractual obligations in respect of the Notes in writing.

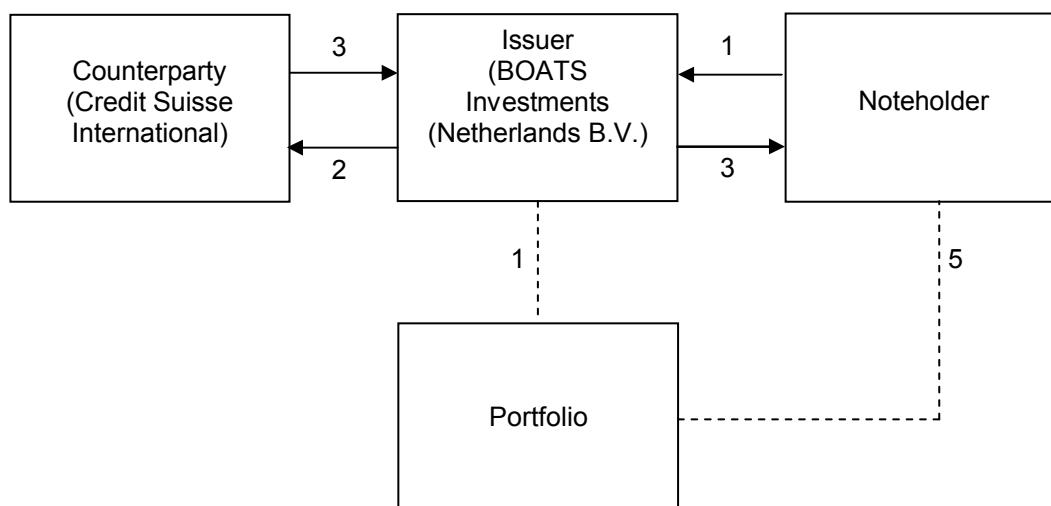
## RESPONSIBILITY STATEMENT

Except for the section entitled “Information relating to the Counterparty” on page 58, the Issuer accepts responsibility for the information contained in this Issue Memorandum.

To the best of the knowledge and belief of the Issuer (which having taken all reasonable care to ensure that such is the case) the information contained in this Issue Memorandum, except for the section entitled “Information relating to the Counterparty”, in accordance with the facts and does not omit anything likely to affect the import of such information. Investors are required to make their own assessment of Credit Suisse International (the “**Counterparty**” or “**CSI**”), the Reference Obligations and the issuers of the Reference Obligations. The Issuer does not have any access to information relating to the Counterparty, the Reference Obligations or the issuers of the Reference Obligations, other than that which is in the public domain. The issuers of the Reference Obligations have not participated nor been involved in the offering of the Notes or any arrangements in connection therewith.

## TRANSACTION OVERVIEW

*The following overview does not purport to be complete and is taken from, and qualified in its entirety by, the more detailed information contained elsewhere in this Issue Memorandum. Words and expressions used but not expressly defined in this overview shall have the meanings given to them elsewhere in this Issue Memorandum.*



1. The proceeds of issue of the Notes are paid by the Noteholders to the Issuer. The Issuer uses the proceeds of the issue of the Notes to purchase the Portfolio.
2. The Issuer pays to the Counterparty interest received on the assets in the Portfolio via the Swap Agreement.
3. On each Interest Payment Date and on each Instalment Date, the Counterparty pays an amount to the Issuer equal to the relevant Interest Amount and Instalment Amount payable to the Noteholders on such Interest Payment Date or Instalment Date.
4. If the Calculation Agent determines that a Credit Event has occurred in respect of the Reference Entities, the Calculation Agent shall determine the Bond Cashflow Present Value and shall designate that all or part of the Interest Amounts and Instalment Amounts shall be no longer payable as a result of the reduction in the Bond Cashflow following the occurrence of a Credit Event.
5. The Affected Reference Obligation shall then be physically delivered to the Noteholders pro rata on the Physical Settlement Date.

## INCORPORATION BY REFERENCE

The table below sets out the relevant page references for the information incorporated herein by reference:

<b><u>Information incorporated by reference</u></b>	<b><u>Page Reference</u></b>
<b><i>From the 2006 Annual Report and Accounts</i></b>	
Report of the Management	3
Balance Sheet as at 31 December 2006	5
Profit and Loss Account for the year 2006	6
Cash Flow Statement for the year 2006	7
Notes to the Annual Accounts for the year ended 31 December 2006	8
Appropriation of results, Subsequent Events and Auditor's Report	13
<b><i>From the 2007 Annual Report and Accounts</i></b>	
Report of the Management	3
Balance Sheet as at 31 December 2007	5
Profit and Loss Account for the year 2007	6
Cash Flow Statement for the year 2007	7
Notes to the Annual Accounts for the year ended 31 December 2007	8
Appropriation of results, Subsequent Events and Auditor's Report	14 -15

Any information not listed in the cross-reference table above but included in the documents incorporated by reference is either not relevant for the investor or covered elsewhere in the Prospectus.

Any information not listed in the cross reference list but included on the documents incorporated by reference is given for information purpose only.

## TERMS AND CONDITIONS OF THE NOTES (the “Conditions”)

1. Series No: 95
2. Principal Amount of Series: EUR 3,380,000
3. Currency: Euro
4. Denomination: EUR 1
5. Issue Date: 28 December 2006
6. Maturity Date: 01 September 2036
7. Security: 

The Issuer’s obligations pursuant to the Trust Deed, the Notes, the Coupons and the Swap Agreement (as described below) are secured by an assignment by way of security of the Issuer’s rights under (i) the Agency Agreement insofar as such rights relate to the Notes and any sums related thereto, (ii) the Liquidation Agency Agreement (as defined in Condition 6(w)), (iii) the Purchase Agency Agreement (as defined in Condition 6(w)), (iv) a custody agreement dated 28 December 2006 between the Issuer, the Trustee, the Custodian and the Counterparty (the “Custody Agreement”) under which a portfolio of assets comprising the Portfolio (as defined below) and sums derived therefrom or related thereto are to be held by the Custodian, in each case in favour of the Trustee for the benefit of itself and the Noteholders, the Couponholders, and the Counterparty. The Issuer’s obligations under the Trust Deed, the Notes and the Coupons are also secured by an assignment by way of security of the Issuer’s rights under the Swap Agreement in favour of the Trustee for the benefit of itself and the Noteholders and the Couponholders, subject to an assignment by the Issuer to JPMorgan Chase Bank in its capacity as Principal Paying Agent of the Issuer’s right to receive sums due from the Counterparty under the Swap Agreement.
8. Interest Basis: Variable Interest
9. Interest: 

A fixed amount of interest (each an “Interest Amount”) will be paid on each Interest Payment Date as set out in Appendix 1 subject to reduction in accordance with Condition 6(n). The Interest Amount due in respect of Notes presented for payment by a holder will be calculated by reference to the aggregate Interest Amount so payable on the relevant Interest Payment Date multiplied by the aggregate number of Notes presented for payment by the relevant holder divided by the total number of Notes then outstanding and the amount of such

payment shall be rounded down to the nearest cent.

10. Interest Commencement Date: 01 January 2007
11. Interest Payment Dates: As set out in the table in Appendix 1.
12. Business Day Convention: Modified Following
13. Calculation Agent: Credit Suisse International
14. Instalment Amount: Unless previously redeemed or purchased and cancelled, and subject to reduction in accordance with Condition 6(n), the Notes shall be redeemed by instalments (each an "Instalment Amount") payable on each Instalment Date as set out in the table in Appendix 2 and equal to the aggregate Instalment Amount corresponding to each Instalment Date as set out in Appendix 2.
- The Instalment Amount due in respect of Notes presented for payment by a holder will be calculated by reference to the aggregate Instalment Amount so payable on the relevant Instalment Date multiplied by the aggregate number of Notes presented for payment by the relevant holder divided by the total number of Notes then outstanding and the amount of such payment shall be rounded down to the nearest cent.
15. Outstanding Principal Amount: In respect of the Notes, on any date, the aggregate principal amount of the Notes that, as of such date, has not become due and payable, whether or not that part of the aggregate principal amount of the Notes that has become due and payable has been paid.
16. Redemption Amount: The Redemption Amount payable upon the redemption of each Note redeemed pursuant to paragraphs (b) and (where so required) (n) of Condition 6 or Condition 8 shall be the amount in euro equal to the (i) Liquidation Proceeds from the sale of the Portfolio by the Liquidation Agent plus or minus the market value of the Swap Transaction expressed in euro, (ii) divided by the number of outstanding Notes determined by the Calculation Agent (and notified to the Trustee) and rounded down to the nearest cent.
17. Notifiable Determinations: Conditions to Payment having been met under the Swap Agreement following the Counterparty's determination of a Credit Event under the Swap Agreement and the Affected Reference Obligations to be delivered (if any) pursuant to Condition 6(n).

The Counterparty shall notify the Trustee promptly upon making the determinations above. The Trustee is under no obligation to monitor or



ascertain whether the Counterparty has made the foregoing determination and until it shall have actual knowledge or express notice to the contrary, the Trustee may assume that no such determination has been made.

18. Relevant Business Day and Payment Business Day: The definitions of "Relevant Business Day" in Condition 5(h) and "Payment Business Day" in Condition 7(a) shall not apply to the Notes. "Relevant Business Day" and "Payment Business Day" shall each mean a Business Day (as defined in Condition 6(w)) in London which is also a TARGET Business Day (as defined in Condition 6(w)).
19. Form of Notes: Bearer V4.3
20. Listing: Application will be made to list the Notes on the Irish Stock Exchange, but no assurance can be given that such application will be granted.
21. Additional Provisions:

The provisions of paragraphs (c) to (j) of Condition 6 shall not apply to the Notes. The following provisions are added at the end of Condition 6 for this Series of Notes:

**"(n) Credit Event**

If the Counterparty under the Swap Agreement determines that a Credit Event has occurred and the Conditions to Payment have been met and has designated a Valuation Date (each term as defined in the Swap Agreement), then

- (i) The Calculation Agent shall calculate the Bond Cashflow Present Value (as defined in the Swap Agreement) on the Valuation Date.
- (ii) The Calculation Agent shall designate all or part of certain Interest Amounts and Instalment Amounts under the Notes (and the Counterparty's corresponding obligations under the Swap Transaction) no longer payable. The total of the present value of such designated Interest Amounts and Instalment Amounts (or parts thereof) as determined by the Calculation Agent when discounted from their respective originally scheduled Instalment Dates and Interest Payment Dates at the offer side of the respective EUR interest rate swap curve (as determined by the Calculation Agent), shall equal the Bond Cashflow Present Value and, upon such designation, the obligation of the Issuer to pay the relevant Interest Amount or Instalment Amount (or part thereof) shall be extinguished and the Affected Reference Obligations shall be physically delivered to Noteholders pro rata on the Physical Settlement Date subject to and in accordance with the provisions of paragraphs (s) and (t) of this Condition 6. If there are insufficient Interest Amounts and Instalment Amounts to equal the Bond Cashflow Present Value, the Issuer shall release to the Liquidation Agent for sale sufficient amounts of the Affected Reference Obligations to pay this shortfall to the Counterparty. The remaining outstanding principal amount of the Affected Reference Obligations following such release and sale shall be physically delivered to Noteholders pro rata, on the Physical Settlement Date and any excess of the liquidation proceeds thereof over such shortfall shall be paid to Noteholders pro rata as if it were an Instalment Amount on the Physical Settlement Date or, if not a Business Day, the next Business Day. If there are insufficient amounts of the Affected Reference Obligations to pay the shortfall to the Counterparty, the Swap Transaction shall be

terminated in whole and the Notes shall be redeemed at their Redemption Amount 10 Business Days following the Valuation Date.

- (iii) Where appropriate, the Swap Transaction will be adjusted pro rata to account for any adjustments under the Notes in connection with the foregoing.

If the Counterparty determines under the Swap Agreement that a Reference Entity (as defined in the Swap Agreement) shall have failed to make any payment under the relevant Reference Obligations on the originally scheduled date for such payment or in the originally scheduled amount of such payment, no payment of principal or interest shall be made by the Issuer during the applicable Grace Period, unless the Counterparty determines under the Swap Agreement that such failure has been remedied by the relevant Reference Entity prior to the end of such Grace Period. The Issuer shall notify the Noteholders of any such suspension of payment during the applicable Grace Period. Notwithstanding the foregoing, if the Counterparty determines under the Swap Agreement that the relevant Reference Entity shall have remedied such failure prior to the end of such Grace Period, the balance of the principal or interest that would otherwise have been payable shall be due on the second Business Day after the date on which the Counterparty determines under the Swap Agreement that such failure has been remedied. In determining whether a payment failure has (or may have) occurred, the Calculation Agent may, without limitation, rely on evidence of non-receipt of funds. Nothing herein shall require a payment in respect of the Notes on a date earlier than it would otherwise be due. Noteholders and Couponholders shall not be entitled to a further payment of any nature as a consequence of the fact that payment of principal or interest is postponed pursuant to this paragraph.

(o) **Definition of Credit Event**

For the purposes of these Conditions “Credit Event” has the meaning given to it in the Swap Agreement.

(p) **Suspension of payments**

If under the Swap Agreement, the Counterparty determines that facts exist which may or would with the passing of time (assuming the expiration of any applicable grace period) amount to a Credit Event, then no payment of principal or interest shall be made by the Issuer in respect of the Notes during the Suspension Period (as defined in the Swap Agreement). If at any time during the Suspension Period the Counterparty under the Swap Agreement determines that a Credit Event has occurred and has designated a Valuation Date then the provisions of paragraph (n) of this Condition shall apply. If on the final Business Day of the Suspension Period no such determination and designation have been made, then the balance of the principal or interest (if any) that would otherwise have been payable in respect of the Notes shall be due on the second Business Day after such final Business Day of the Suspension Period. Noteholders or Couponholders shall not be entitled to a further payment as a consequence of the fact that payment of principal or interest is postponed pursuant to this paragraph.

(q) **Portfolio Exchange**

Under the Swap Agreement, the Counterparty shall have the right at any time, on giving 10 Business Days' notice to the Issuer, to require a substitution of any Reference Obligation which at that time is comprised in the Portfolio with new Eligible Investments, subject to the Counterparty having obtained the unanimous prior consent of the Noteholders. Any Eligible Investment substituted in accordance with this paragraph shall thereafter form part of the Portfolio and be deemed to be a Reference Obligation for the purposes of the Conditions and the Swap Agreement.

(r) **Redemption of Reference Obligations prior to Maturity Date**

Should any Reference Obligation comprising the Portfolio be redeemed, in accordance with its terms, for any reason on or prior to the Maturity Date (the "Matured Reference Obligation"), an amount equal to any redemption proceeds paid by the relevant Reference Entity in relation to the Matured Reference Obligation will be paid by the Issuer to the Counterparty pursuant to the Swap Agreement and the Counterparty shall pay an amount equal thereto to the Issuer and as much of such amount as the Purchase Agent determines to be practicable shall be applied by the Purchase Agent on behalf of the Issuer in the purchase of one or more alternative Eligible Investments as selected by the Purchase Agent in its absolute discretion at such price as it may determine to be the prevailing market price to be held by the Custodian pursuant to the terms of the Custody Agreement. Such purchase is subject to the Purchase Agent having obtained the unanimous consent of the Noteholders. Upon such delivery such Eligible Investments shall constitute Reference Obligations for the purposes of the Conditions and the Swap Agreement.

(s) **Condition to Delivery of Affected Obligations**

In order for Affected Reference Obligations to be delivered to Noteholders following the designation of a Valuation Date pursuant to paragraph (n) of this Condition 6, the relevant Noteholders must present to the Principal Paying Agent an irrevocable delivery instruction certificate (in the form set out in Schedule 2 of the Supplemental Trust Deed, copies of which are available at the specified offices of any Paying Agent) (the "Delivery Instruction Certificate") and must make presentation and delivery of the Notes held, not later than 5.00 p.m., London time, on the fifth Business Day in London prior to the Physical Settlement Date (the "Presentation Date"). If such Notes and Delivery Instruction Certificate are presented to a Paying Agent after 5.00 p.m. (London time) on the day of presentation or if the day of presentation is not a Business Day in London, such Notes and Delivery Instruction Certificate shall be deemed to have been presented before 5.00 p.m. (London time) on the next following Business Day in London. The Paying Agent to which such Notes and Delivery Instruction Certificate are surrendered shall acknowledge receipt by issuing to the holder of the Notes as a receipt for such Notes a copy of such Delivery Instruction Certificate duly marked with the Paying Agent's stamp and the date and time of receipt and shall deliver to the Custodian, the Issuer and the Counterparty a copy of such Delivery Instruction Certificate as soon as practicable after receipt thereof. A copy of the Delivery Instruction Certificate shall act as a receipt for both the Notes and the Delivery Instruction Certificate. Such copy shall be non-transferable and shall be prima facie evidence of entitlement of the person named therein to the Affected Obligations in respect of the Notes specified therein. However, the records of the Paying Agent shall be conclusive evidence of such entitlement.

Noteholders should note, in relation to Notes held in Euroclear or Clearstream, Luxembourg, (each a "Clearance System") that such Notes will be presented and the Delivery Instruction Certificate in respect thereof delivered, on behalf of Noteholders by Euroclear or Clearstream, Luxembourg, as the case may be, and that holders of Notes held in Euroclear or Clearstream, Luxembourg will be required to instruct Euroclear or

Clearstream, Luxembourg, as the case may be, to present such Notes and to deliver such Delivery Instruction Certificate not later than 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Clearance System Business Day prior to the date on which such Delivery Instruction Certificate is to be delivered. For these purposes, "Clearance System Business Day" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

**(t) Delivery of Affected Reference Obligations**

If the Issuer is required pursuant to paragraph (n) of this Condition 6 to deliver Affected Reference Obligations in respect of the Notes, the Issuer shall, subject as provided below, deliver or cause to be delivered, the Affected Reference Obligations in respect of the Notes to the account at the Clearance System designated by the relevant Noteholder in the relevant Delivery Instruction Certificate on the Physical Settlement Date.

The Issuer reserves all rights as to the choice of Clearance System, where relevant, and the manner of delivery of the Affected Reference Obligations to which Noteholders are entitled and the Issuer shall have no responsibility for the capacity of Noteholders to take delivery of the Affected Reference Obligations or for any matter which may affect the ability of the Noteholders to take delivery of the Affected Reference Obligations.

The Issuer shall deliver or cause to be delivered, to the relevant Clearance System for credit to the account at the Clearance System designated by the relevant Noteholder in the relevant Delivery Instruction Certificate on the Physical Settlement Date the Affected Reference Obligations relating to the Notes presented and surrendered in accordance with these Conditions. Notes presented and surrendered by a Noteholder shall be aggregated for the purpose of determining the aggregate Affected Reference Obligations to which that Noteholder shall be entitled. If the aggregate Affected Reference Obligations of a Noteholder is not a transferable amount of the Affected Reference Obligations, the Issuer shall not deliver a fraction of a Affected Reference Obligation and no additional payment shall be made in respect of such fraction. A copy of the Delivery Construction Certificate will be available at the office of the Paying Agent in Ireland

The Issuer reserves all rights as to the manner of delivery of any Affected Reference Obligations to which Noteholders are entitled and the Issuer shall have no responsibility for the capacity of Noteholders to take delivery of such Affected Reference Obligations or for any matter which may affect the ability of the Noteholders to take delivery of such Affected Reference Obligations.

The Trustee has no responsibility for the delivery of Affected Reference Obligations to the persons entitled to them.

**(u) References to principal and Payments on Notes**

(i) In the Conditions, references to principal shall be deemed to include, wherever the context so admits, the Instalment Amounts and/or Redemption Amount.

(ii) Condition 7(a) shall not apply to this Series of Notes.

Payments of principal and interest in respect of Notes shall be made against surrender or, in the case of a partial redemption, presentation for endorsement of the Notes or, as the case may be, the Coupons at the specified office of any Paying Agent by a cheque payable in euro, or, at the option of the holder, by transfer to an account denominated in euro with a bank specified by the payee, subject in all cases to any fiscal or other laws and regulations applicable thereto.

A Note or Coupon may be presented for payment only on a day that is a Business Day in the place of presentation (and, in the case of payment by transfer, in London, and a TARGET Business Day). However, a Note or Coupon may not be presented for payment anywhere before the first day that falls on or after the due date that is a Business Day in London and which is a TARGET Business Day.

(v) **Responsibility**

The Calculation Agent shall have no responsibility for good faith errors or omissions in its calculations and determinations as provided in the Conditions, whether caused by negligence or otherwise. The calculations and determinations of the Calculation Agent shall be made in accordance with the Conditions (having regard in each case to the criteria stipulated herein and where relevant) on the basis of information provided to or obtained by employees or officers of the Calculation Agent responsible for making the relevant calculation or determination and shall, in the absence of manifest error, be final, conclusive and binding on the Trustee, the Noteholders and the Couponholders.

(w) **Definitions**

As used in these Conditions:

**“Affected Reference Entity”** means a Reference Entity in respect of which the Counterparty under the Swap Agreement has determined a Credit Event to have occurred and the Conditions to Payment to have been met in respect of that Credit Event;

**“Affected Reference Obligations”** means the Reference Obligations relating to an Affected Reference Entity as determined by the Counterparty under the Swap Agreement;

**“Business Day”** means, in respect of any city, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city;

**“Eligible Investments”** means any debt obligation (including any debt obligation issued with a security interest over other assets or otherwise described as a collateralised debt obligation) which has a rating assigned by either Moody’s Investors Services, Inc. or Standard & Poor’s Ratings, a division of The McGraw Hill Group, equivalent to the respective ratings previously assigned to the relevant Matured Reference Obligation or relevant substituted Reference Obligation;

**“Liquidation Agency Agreement”** means a liquidation agency agreement between the Issuer and the Liquidation Agent dated 28 December 2006, pursuant to which the Liquidation Agent is appointed by the Issuer as its agent for the purposes of liquidating any Affected Reference Obligation held by the Issuer where so required under the Conditions;

**“Liquidation Agent”** means Credit Suisse International;

**“Liquidation Proceeds”** means the proceeds from the sale of any Affected Reference Obligation or the portfolio held by the Issuer effected on behalf of the Issuer by the Liquidation Agent under the terms of the Liquidation Agency Agreement, less any amount deducted by the Liquidation Agent pursuant to the Liquidation Agency Agreement in respect of any commissions or expenses (including legal costs), stamp and other documentary taxes or duties incurred and/or payable by the Liquidation Agent in connection with the liquidation of such Affected Reference Obligation or the Portfolio;

**“Physical Settlement Date”** means the 10th Business Day following the Valuation Date;

**“Portfolio”** means the Reference Obligations other than any Affected Reference Obligations removed in accordance with these Conditions;

**“Purchase Agency Agreement”** means a purchase agency agreement between the Issuer and the Purchase Agent dated 28 December 2006 pursuant to which the Purchase Agent is appointed by the Issuer as its agent for the purposes of purchasing Eligible Investments where so required under the Conditions;

**“Purchase Agent”** means Credit Suisse International;

**“Reference Entity”** means the issuer of each Reference Obligation including any guarantor of such Reference Obligation, or as determined by the Calculation Agent, a direct or indirect successor that assumes all or substantially all of the obligations thereof by way of merger, consolidation, amalgamation, transfer or otherwise;

**“Reference Obligation”** means each obligation as so defined in the Swap Agreement which shall include any Eligible Investments which are purchased by the Issuer and/ or cash held by the Issuer following a redemption of any Reference Obligation pursuant to paragraph (r) of this Condition and is subject to adjustment in accordance with paragraphs (q) and (n) of this Condition 6. The initial Reference Obligations are as set out in the table below, identified for the purposes of the Swap Agreement by their Reference Obligation Number, together with the corresponding “Reference Note Amount” relating to each Reference Obligation:

Reference Obligation No	Reference Obligation	Reference Note Amount
1.	Credit Suisse First Boston (USA) Incorporated 7.125 per cent. Notes due July 2032 (ISIN: US22541LAE39)	USD 4,500,000
2.	Household Finance Corporation 7.35 per cent. Notes due November 2032 (ISIN: US441812KB90)	USD 1,929,000

**“Swap Agreement”** means the Swap Transaction;

**“Swap Transaction”** means the transaction evidenced by and pursuant to an ISDA master agreement dated as of 04 December, 1997 and a confirmation thereto with an effective date of 28 December 2006 (the “Confirmation”) that references the Notes made between the Issuer and the Counterparty; and

**“TARGET Business Day”** means a day on which the TARGET System is operating where “TARGET” means Trans-European Automated Real-Time Gross Settlement Express Transfer.”

22. Condition 16 shall have the following added to the second paragraph (for the purposes of the Notes only):

“The Trustee shall have no responsibility for the validity, sufficiency and enforceability of the Security nor any responsibility for monitoring the performance of the Calculation Agent, the Counterparty or Custodian in respect of their obligations. In addition, the Trustee shall have no responsibility for taking any action to enforce the obligations of the issuer of any of the assets comprising the Portfolio.”

## Appendix 1

Interest Payment Date	Interest Amount (EUR)
01/01/2007	159.95
01/02/2007	195.10
01/05/2007	295.49
01/08/2007	410.11
01/11/2007	544.97
01/02/2008	652.99
01/05/2008	756.89
01/08/2008	888.76
01/11/2008	1,056.02
01/02/2009	1,166.47
01/05/2009	1,271.42
01/08/2009	1,422.54
01/11/2009	1,626.22
01/02/2010	1,738.96
01/05/2010	1,845.98
01/08/2010	2,018.62
01/11/2010	2,263.48
01/02/2011	2,378.29
01/05/2011	2,487.16
01/08/2011	53,842.64
01/11/2011	2,677.14
01/02/2012	2,782.75
01/05/2012	2,884.03
01/08/2012	27,825.81
01/11/2012	3,252.59
01/02/2013	3,355.56
01/05/2013	3,453.03
01/08/2013	53,009.50
01/11/2013	3,732.20
01/02/2014	3,829.57
01/05/2014	3,921.65
01/08/2014	63,074.87
01/11/2014	4,191.40
01/02/2015	4,283.07
01/05/2015	4,369.64
01/08/2015	94,827.79
01/11/2015	4,474.44
01/02/2016	4,557.98
01/05/2016	4,637.81
01/08/2016	81,414.37
01/11/2016	4,891.57
01/02/2017	4,969.74
01/05/2017	5,043.38
01/08/2017	73,471.36
01/11/2017	5,338.87
01/02/2018	5,412.42
01/05/2018	5,481.58
01/08/2018	106,297.95
01/11/2018	5,666.31
01/02/2019	5,733.93
01/05/2019	5,797.38
01/08/2019	151,678.76
01/11/2019	5,767.94

Interest Payment Date	Interest Amount (EUR)
01/02/2020	5,828.03
01/05/2020	5,885.12
01/08/2020	158,316.89
01/11/2020	5,795.60
01/02/2021	5,848.56
01/05/2021	5,898.06
01/08/2021	100,358.57
01/11/2021	6,111.18
01/02/2022	6,159.69
01/05/2022	6,204.88
01/08/2022	111,950.72
01/11/2022	6,408.93
01/02/2023	6,452.81
01/05/2023	6,493.51
01/08/2023	208,761.12
01/11/2023	6,265.99
01/02/2024	6,303.07
01/05/2024	6,337.92
01/08/2024	127,602.09
01/11/2024	6,426.14
01/02/2025	6,458.55
01/05/2025	6,488.28
01/08/2025	223,791.57
01/11/2025	6,148.73
01/02/2026	6,175.00
01/05/2026	6,198.91
01/08/2026	298,415.15
01/11/2026	5,379.51
01/02/2027	5,399.36
01/05/2027	5,417.30
01/08/2027	277,953.11
01/11/2027	4,636.00
01/02/2028	4,650.67
01/05/2028	4,664.15
01/08/2028	133,855.06
01/11/2028	4,475.32
01/02/2029	4,486.96
01/05/2029	4,497.24
01/08/2029	200,574.06
01/11/2029	3,941.95
01/02/2030	3,950.49
01/05/2030	3,957.94
01/08/2030	203,841.49
01/11/2030	3,400.93
01/02/2031	3,406.76
01/05/2031	3,411.71
01/08/2031	201,511.56
01/11/2031	2,753.54
01/02/2032	2,757.42
01/05/2032	2,760.78
01/08/2032	86,837.71
01/11/2032	2,588.57
01/02/2033	2,591.20
01/05/2033	2,593.24
01/08/2033	77,679.97



<b>Interest Payment Date</b>	<b>Interest Amount (EUR)</b>
01/11/2033	2,520.15
01/02/2034	2,521.36
01/05/2034	2,522.06
01/08/2034	167,866.24
01/11/2034	1,978.07
01/02/2035	1,978.25
01/05/2035	1,978.04
01/08/2035	112,881.03
01/11/2035	1,584.16
01/02/2036	1,583.83
01/05/2036	1,583.28
01/08/2036	110,389.77
01/09/2036	300,099.22

## Appendix 2

Instalment Date	Instalment Amount (EUR)
01/01/2007	8,407.00
01/02/2007	8,355.74
01/05/2007	8,239.28
01/08/2007	8,376.03
01/11/2007	8,758.01
01/02/2008	8,631.07
01/05/2008	8,508.30
01/08/2008	8,651.62
01/11/2008	9,051.30
01/02/2009	8,918.66
01/05/2009	8,791.57
01/08/2009	8,941.63
01/11/2009	9,359.71
01/02/2010	9,220.94
01/05/2010	9,087.97
01/08/2010	9,245.50
01/11/2010	9,683.71
01/02/2011	9,538.36
01/05/2011	9,399.04
01/08/2011	191,878.28
01/11/2011	9,020.02
01/02/2012	8,884.99
01/05/2012	8,754.39
01/08/2012	80,363.87
01/11/2012	8,953.65
01/02/2013	8,818.67
01/05/2013	8,689.29
01/08/2013	127,715.82
01/11/2013	8,620.38
01/02/2014	8,490.01
01/05/2014	8,365.03
01/08/2014	129,414.64
01/11/2014	8,280.24
01/02/2015	8,154.54
01/05/2015	8,034.05
01/08/2015	168,310.33
01/11/2015	7,672.51
01/02/2016	7,556.37
01/05/2016	7,444.04
01/08/2016	126,509.18
01/11/2016	7,363.21
01/02/2017	7,251.18
01/05/2017	7,143.78
01/08/2017	100,984.42
01/11/2017	7,124.25
01/02/2018	7,015.32
01/05/2018	6,910.90
01/08/2018	130,290.80
01/11/2018	6,755.16
01/02/2019	6,651.41
01/05/2019	6,551.95
01/08/2019	166,924.86
01/11/2019	6,183.49

<b>Instalment Date</b>	<b>Instalment Amount (EUR)</b>
01/02/2020	6,088.39
01/05/2020	5,996.40
01/08/2020	157,295.07
01/11/2020	5,616.61
01/02/2021	5,530.25
01/05/2021	5,447.45
01/08/2021	90,490.25
01/11/2021	5,380.89
01/02/2022	5,297.64
01/05/2022	5,217.81
01/08/2022	92,000.15
01/11/2022	5,148.22
01/02/2023	5,067.91
01/05/2023	4,990.90
01/08/2023	156,943.98
01/11/2023	4,608.62
01/02/2024	4,536.34
01/05/2024	4,466.43
01/08/2024	88,025.78
01/11/2024	4,340.31
01/02/2025	4,271.70
01/05/2025	4,205.91
01/08/2025	142,107.48
01/11/2025	3,825.35
01/02/2026	3,764.49
01/05/2026	3,706.11
01/08/2026	174,878.86
01/11/2026	3,090.56
01/02/2027	3,041.41
01/05/2027	2,994.27
01/08/2027	150,673.08
01/11/2027	2,465.03
01/02/2028	2,425.84
01/05/2028	2,387.94
01/08/2028	67,245.12
01/11/2028	2,206.37
01/02/2029	2,171.12
01/05/2029	2,137.31
01/08/2029	93,577.08
01/11/2029	1,805.62
01/02/2030	1,776.78
01/05/2030	1,749.11
01/08/2030	88,469.85
01/11/2030	1,449.76
01/02/2031	1,426.52
01/05/2031	1,404.23
01/08/2031	81,486.00
01/11/2031	1,094.03
01/02/2032	1,076.56
01/05/2032	1,059.65
01/08/2032	32,756.94
01/11/2032	959.75
01/02/2033	944.35
01/05/2033	929.59
01/08/2033	27,375.41

<b>Instalment Date</b>	<b>Instalment Amount (EUR)</b>
01/11/2033	873.20
01/02/2034	859.00
01/05/2034	845.37
01/08/2034	55,333.24
01/11/2034	641.25
01/02/2035	630.74
01/05/2035	620.66
01/08/2035	34,840.82
01/11/2035	480.99
01/02/2036	473.10
01/05/2036	465.45
01/08/2036	31,930.12
01/09/2036	86,331.01

## **USE OF PROCEEDS**

The net proceeds of the issue, which amounted to EUR 3,380,000 and were used by the Issuer to purchase the Portfolio.

## **FORM OF THE NOTES**

The Notes will be bearer form and are represented by a Permanent Global Note, which will be deposited with a Common Depositary for credit to the accounts of subscribers at Euroclear and Clearstream, Luxembourg. The Permanent Global Note is exchangeable for Definitive Notes with Coupons attached in the circumstances set out therein.

## **SUMMARY OF PROVISIONS RELATING TO THE NOTES IN BEARER FORM WHILE REPRESENTED BY A GLOBAL NOTE**

Each Global Note will be deposited with a common depository for credit to the accounts of subscribers at Clearstream, Luxembourg and Euroclear or another clearance system or, alternatively, held by a single holder outside of any clearance system, as specified in the applicable Issue Memorandum. Each Global Note and the Trust Deed will contain provisions relating to the Notes which apply, and in some cases modify, the terms and conditions of the Notes while the Notes are represented by such Global Note substantially (unless otherwise stated in the applicable Issue Memorandum) to the following effect.

### **1. Payments**

No payment will be made on a Temporary Global Note unless exchange for an interest in the relevant Global Note is improperly withheld or refused. Payments of principal and interest (if any) and any other amount falling due from time to time in respect of Notes represented by a Permanent Global Note will be made against presentation for endorsement or, if no further payment falls to be made in respect of the Notes, surrender of that Permanent Global Note, to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the relevant Permanent Global Note by the Principal Paying Agent, which endorsement will be prima facie evidence that such payment has been made.

### **2. Notices**

So long as all Notes of any Series are represented by a Global Note and such Global Note is held on behalf of a clearance system, notices to holders of such Notes may be given by delivery of the relevant notice to that clearance system for communication by it to entitled accountholders in substitution for publication as required by the Conditions, except that, so long as such Notes are listed on any relevant stock exchange and the rules of such stock exchange or competent authority so require, notices shall also be published in any newspaper which is so required by the rules of that stock exchange or competent authority.

### **3. Presentation and surrender of Notes**

If the Notes represented by the Global Note are Exchangeable Notes or Puttable Notes, the holder of the Global Note will present the Global Note to or to the order of the Principal Paying Agent in order to effect presentation and surrender of the Notes represented by the Global Note for the purposes of the Conditions. The date on which and the principal amount of the Notes in respect of which the Global Note was presented will be endorsed on the appropriate schedule to the Global Note. On the Settlement Date, in the case of Exchangeable Notes, and on the Optional Redemption Date, in the case of Puttable Notes, the holder of the Global Note will present the Global Note to or to the order of the Principal Paying Agent again and the reduction in the principal amount of the Notes outstanding will be endorsed in the appropriate schedule.

Accountholders at Euroclear and Clearstream, Luxembourg wishing to require the holder of the Global Note to present the Global Note in accordance with the previous paragraph should note that they will be required (i) to give an irrevocable instruction to Euroclear or Clearstream, Luxembourg, as the case may be, to such effect in the form prescribed by the relevant clearance system not later than 10.00 a.m., Brussels or Luxembourg time, as the case may be (or, in the case of an instruction to Euroclear via EUCLID or EUCLID 90, 11.00 a.m., Brussels time, or, in the case of an instruction to Clearstream, Luxembourg via CEDCOM 2000, 12.00 noon, Luxembourg time) on the Clearance System Business Date prior to the date on which presentation is to take place and (ii) to provide the relevant clearance system with a certificate as to non-U.S. beneficial ownership.

#### **4. Prescription**

Claims against the Issuer in respect of principal of and interest (if any) on the Notes while represented by a Permanent Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the due date for payment.

#### **5. Meetings**

The holder of a Permanent Global Note will be treated as being two persons for the purpose of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each Note for which such Permanent Global Note may be exchanged (or each Note of the smaller or smallest denomination where such Permanent Global Note may be exchanged for Notes of more than one denomination).

#### **6. Exchange**

Each Temporary Global Note will be exchangeable in whole or in part for interests in a Permanent Global Note or, if so provided in a Temporary Global Note, for Definitive Notes after the date falling 40 days after the Issue Date of the Notes upon certification as to non-U.S. beneficial ownership in the form set out in such Temporary Global Note. So long as a Permanent Global Note is held on behalf of Clearstream, Luxembourg or Euroclear or any other clearance system, the Issuer will, on the written request of the holder, issue Definitive Notes in exchange in whole or, if permitted by Euroclear and Clearstream, Luxembourg, in part for such Permanent Global Note against presentation and surrender of such Permanent Global Note at the specified office of the Principal Paying Agent if either Clearstream, Luxembourg or Euroclear is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business and the Issuer has failed to procure that the Notes are held in an alternative clearance system (the "Alternative Clearance System") acceptable to, if and for so long as the Notes are listed on the Irish Stock Exchange, such stock exchange, by the close of business in London on the final day of such period of 14 days. In addition, each Permanent Global Note is exchangeable in whole or, if permitted by Clearstream, Luxembourg and Euroclear, in part for Definitive Notes by the Issuer giving notice to the Trustee, the Principal Paying Agent and the holders of Notes of its intention to exchange a Permanent Global Note for Definitive Notes if the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of The Netherlands (or, in the case of the substitution of the Issuer as principal debtor by a company incorporated in another jurisdiction or a change in the tax residence of the Issuer, in such other jurisdiction) which would not be suffered were the Notes in definitive form (and a certificate to such effect signed by a director of the Issuer is delivered to the Principal Paying Agent for display to the Noteholders). In the case of an exchange pursuant to a written request by the holder, Definitive Notes shall be issued on the Exchange Date.

On or after the Exchange Date the holder of a Permanent Global Note may surrender such Permanent Global Note to or to the order of the Principal Paying Agent. In exchange for such Permanent Global Note, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes (having attached to them all Coupons (if any) in respect of interest that has not already been paid on that Permanent Global Note), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Part A of Schedule 2 to the Principal Trust Deed. On exchange of a Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

“Exchange Date” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located.

## **7. Trustee’s Powers**

In considering the interests of Noteholders while a Permanent Global Note is held on behalf of a clearance system, the Trustee may have regard to any information provided to it by such clearance system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Permanent Global Note and may consider such interests as if such accountholders were the holder of such Permanent Global Note.



## DESCRIPTION AND FORM OF THE SWAP AGREEMENT

### Introduction

The Issuer has entered into an ISDA Master Agreement dated as of 4 December 1997, with the Counterparty (the “Master Agreement”) and the Counterparty will issue a confirmation confirming the terms of the swap transaction entered into in connection with the issue of the Notes, with an effective date of 28 December 2006 (the “Confirmation” and, together with the Master Agreement, the “Swap Agreement”). Pursuant thereto: (i) the Counterparty will pay to the Issuer sums at least equal to and in the currency of, the interest and principal payable on the Notes for value the Interest Payment Dates and the Instalment Dates or on such earlier due date of redemption, as the Notes may be redeemed as the case may be; and (ii) the Issuer will pay to the Counterparty amounts equivalent to all scheduled amounts payable under the Portfolio.

References to a “party” or the “parties” are to one or both of the Issuer and the Counterparty. Save as described under “Taxation” below, neither the Issuer nor the Counterparty is permitted to assign, novate or transfer as a whole or in part any of their rights, obligations or interests under the Swap Agreement (except for the assignment by way of security by the Issuer in favour of the Trustee under the Trust Deed and the assignment in favour of the Principal Paying Agent as described under “Base Terms and Conditions of the Notes – Security” at page 68 below).

### Types of transactions

The following discussion of certain provisions of the Swap Agreement (in particular, under “Payments under the Swap Agreement” and “Early Termination”) makes a number of assumptions as to the type of transaction that the Issuer will enter into with the Counterparty in relation to any Series of Notes. In particular, it is assumed that the transaction will be an interest rate and cross-currency swap, with an initial and final exchange of capital amounts, and that the Issuer will fund its obligations in respect of the Swap Agreement by purchasing Securities. This may not be the case. For example, the Issuer may elect not to purchase Securities but to use the cash flows from the Counterparty under the swap transaction directly to fund its obligations in respect of the Notes. In addition, the Issuer may sell to the Counterparty an option relating to the Securities. Furthermore, the Confirmation relating to a Series of Notes may contemplate a number of ancillary transactions relating to the Securities, including the delivery of Securities to the Counterparty. The Issue Memorandum relating to a Series of Notes will describe any differences between the terms of the Confirmation relating to that Series and the description thereof that follows.

### Payments under the Swap Agreement

#### *Payment obligations*

Under the Swap Agreement, the Issuer initially will pay to the Counterparty a sum equal to and in the currency of the net proceeds of the Notes and the Counterparty will deliver to the Issuer the Securities.

Thereafter, the Issuer will pay to the Counterparty sums equal to and in the currency of the interest receivable on the Securities and the Counterparty will pay to the Issuer sums at least equal to and in the currency of the interest payable on the Notes.

If the issuer of the Securities fails to make a payment on the Securities with the result that the Issuer is unable to make any payment due to be made by it to the Counterparty under the Swap Agreement, the Counterparty is not obliged (even in circumstances where the Swap Agreement is not terminated as described below) to make its corresponding payment or any future scheduled payment due to be made by it to the Issuer under the Swap Agreement.

A payment obligation of the Issuer under the Swap Agreement may be satisfied by payment by the Custodian on behalf of the Issuer to, or to the order of, the Counterparty of the sum due from the Issuer under the Swap Agreement.

Pursuant to the Custody Agreement relating to a Series, and in satisfaction of the Issuer's obligation to make a payment to the Counterparty under the Swap Agreement, the Custodian may pay to, or to the order of, the Counterparty an amount equal to the amount that the Issuer expected, as of the date of the applicable Confirmation, the Custodian to receive, pursuant to the Custody Agreement, from the Issuer of the Securities, on the due date for receipt (the "Due Date"). If, having made such payment to the Counterparty on the Due Date, the Custodian has not received from the issuer of the Securities the expected amount and so notifies the Counterparty within the agreed period, the Counterparty will repay to the Custodian the whole amount received from the Custodian or a pro rata amount, as the case may be, together with interest thereon at the Custodian's cost of funds.

In such event the Issuer shall be deemed not to have satisfied its obligation to make the due payment to the Counterparty under the Swap Agreement, and the Counterparty shall be entitled to terminate the Swap Agreement. In addition, the Counterparty will be entitled to recover from the Issuer any interest paid by it to the Custodian, as described above.

A payment obligation of the Counterparty under the Swap Agreement may be satisfied by payment by the Counterparty of the sum due from it under the Swap Agreement to the Principal Paying Agent on behalf of the Issuer. If the Counterparty gives an undertaking to the Issuer in the Swap Agreement to make a payment to the Principal Paying Agent, the Issuer may assign the benefit of that undertaking to the Principal Paying Agent.

#### *Timing of payments*

Payments by the Counterparty under the Swap Agreement will be made by the Counterparty on the dates on which interest on and principal of the Notes are payable in accordance with the Conditions.

Provided that it has not been terminated earlier, the Swap Agreement will terminate on the Maturity Date. Payments of interest and principal to the Noteholders, save as expressly stated herein, are entirely contingent on the full and timely performance of the obligations of the Counterparty under the Swap Agreement. The form of the Confirmation is set out in the following pages.

#### **Early Termination**

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

- (i) upon the failure by a party to the Swap Agreement to make when due a payment or delivery under the Swap Agreement if such failure is not remedied on or before the third Local Business Day (as defined in the Swap Agreement) after notice of failure is given to such party;
- (ii) upon failure by a party to comply with or perform certain other agreements or obligations if such failure is not remedied on or before the thirtieth day after notice of failure is given to such party;
- (iii) upon certain representations (not relating to taxation) made or repeated or deemed to have been made or repeated by a party proving to have been incorrect or misleading in any respect when made or repeated or deemed to have been made or repeated;
- (iv) upon the bankruptcy of a party to the Swap Agreement;

- (v) if it becomes unlawful for a party to the Swap Agreement to perform any absolute or contingent obligation to make or receive a payment or a delivery under the Swap Agreement or to comply with any other material provision of the Swap Agreement;
- (vi) upon the Notes becoming repayable in whole or in part in accordance with their Conditions at any time prior to their maturity, other than in the circumstances referred to in subparagraph (vii);
- (vii) if the Counterparty exercises its termination option (see “Counterparty Optional Termination”, below);
- (viii) if any of the Securities becomes repayable prior to its stated maturity or (unless the Trustee otherwise agrees) there is a payment default in respect of any of the Securities (see “Mandatory Redemption of the Notes” below);
- (ix) if withholding taxes are imposed on payments made by the Issuer or the Counterparty under the Swap Agreement (see “Taxation”, below).

### **Consequences of Early Termination**

Termination payments in respect of any of the above circumstances will be calculated in accordance with the provisions of the Swap Agreement. An unpaid amount will be excluded from the calculation of the termination payment if the Counterparty has given an undertaking to the Issuer to pay that amount to the Principal Paying Agent and the Issuer has assigned the benefit of that undertaking as described above.

#### *Events of Default*

Upon an early termination of the Swap Agreement in any of the circumstances referred to in subparagraphs (i), (ii), (iii) and (iv) above (each, an “Event of Default”), an amount will be payable equal to (A) the sum of the Settlement Amount, as determined by the party who is not the party with respect to which the Event of Default has occurred (the “Non-Defaulting Party”) in accordance with the provisions described below, and any unpaid amounts owing to the Non-Defaulting Party under the Swap Agreement less (B) the sum of the unpaid amounts owing to the party with respect to which the Event of Default has occurred (the “Defaulting Party”) under the Swap Agreement. If that amount is a positive number, it will be payable by the Defaulting Party to the Non-Defaulting Party; if it is a negative number, the absolute value of that amount will be payable by the Non-Defaulting Party to the Defaulting Party.

#### *Termination Events*

Upon an early termination of the Swap Agreement in any of the circumstances referred to in subparagraphs (v), or (vi), (ix) above (each, a “Termination Event”) where the Termination Event has occurred with respect to one party only (the “Affected Party”), the party who is not the party with respect to which the Termination Event has occurred (the “Non-Affected Party”) will determine the Settlement Amount in accordance with the provisions described below. An amount will be payable equal to the sum of the Settlement Amount so determined and the unpaid amounts owing to the Non-Affected Party under the Swap Agreement less the sum of the unpaid amounts owing to the Affected Party under the Swap Agreement. If that amount is a positive number, it will be payable by the Affected Party to the Non-Affected Party; if it is a negative number, the absolute value of that amount will be payable by the Non-Affected Party to the Affected Party.

If the Termination Event occurs with respect to both parties, each party will determine a Settlement Amount in accordance with the provisions described below. An amount will then be payable equal to the sum of (i) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount (“X”) and the Settlement Amount of the party with the

lower Settlement Amount ("Y") and (ii) the sum of the unpaid amounts owing to X under the Swap Agreement less the sum of the unpaid amounts owing to the Y under the Swap Agreement. If that amount is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of that amount to Y.

#### *Determination of Settlement Amount*

With respect to a swap or option transaction that has been terminated early as a result of an Event of Default or a Termination Event, the Settlement Amount shall be determined in the following manner. The relevant party will obtain market quotations from four leading dealers in the relevant market for the replacement cost of the terminated swap transaction. Where such quotations cannot be obtained or would not, in the relevant party's belief, produce a commercially reasonable result, the relevant party will determine in good faith its total loss and costs in connection with such transaction, including any loss of bargain, cost of funding or, at the election of such party but without duplication, the loss or cost incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position. The Settlement Amount shall be the sum of such market quotations and determination of loss, all as more fully described in the Swap Agreement Counterparty Optional Termination. Please refer to "Counterparty Optional Termination" below for a description of the consequences of an early termination of the Swap Agreement in the circumstances referred to in (vii) above.

#### *Mandatory Redemption of the Notes*

Please refer to "Mandatory Redemption of the Notes" below for a description of the consequences of any early termination of the Swap Agreement in the circumstances referred to in (viii) above.

#### *Redemption of the Notes on early termination*

In the event that the Swap Agreement is terminated early, the Issuer will become obliged to redeem the Notes at their principal amount, together with interest accrued to the date fixed for redemption (see "Base Terms and Conditions of the Notes – Redemption and Purchase – Redemption for taxation and other reasons" at page 75 below). In any such event, the ability of the Issuer to make such payments in full will depend upon (a) whether the Securities are repaid in full or otherwise realised for an adequate sum; (b) the amount of the termination payment (if any) that may be due to the Counterparty or the Issuer, as the case may be. To the extent that, upon a termination, the Counterparty suffers any shortfall, such shortfall will be borne by the Counterparty on the one hand and by the Noteholders and the Couponholders (if any) on the other hand, in accordance with the priorities described under "Base Terms and Conditions of the Notes – Security" at page 68 below.

#### **Counterparty Optional Termination**

The Counterparty may, at its option and upon written notice, terminate any swap or option transaction, in whole or in part and without payment by either party, if any of the Notes to which that transaction relates are purchased by or on behalf of the Counterparty or any of its subsidiaries or affiliates ("Purchased Notes"). Such transaction will terminate pro rata in the proportion (the "Proportion") that the aggregate principal amount of the Purchased Notes bears to the aggregate principal amount of the Notes outstanding immediately prior to the purchase of the Purchased Notes by the Counterparty or any of its subsidiaries or affiliates. Upon service of the notice, the Counterparty will be authorised by the Issuer to realise on the Issuer's behalf the Proportion of the Securities (if any) charged to the Trustee under the Trust Deed ("Realised Securities"). The realised value of the Realised Securities will be payable by the Issuer to or to the order of the Counterparty, in the contractual currency paid by the Issuer under the relevant transaction. Upon receipt of the realised value of the Realised Securities, the Counterparty will deliver to the Principal Paying Agent the Purchased Notes for cancellation. In such circumstances, the Issuer will be deemed to have consented to the Trustee releasing the Realised Securities to

the Counterparty upon termination of the relevant transaction in the manner described in this paragraph.

### **Mandatory Redemption of the Notes**

If there is a payment default in respect of any of the Securities or any of the Securities becomes repayable prior to its stated maturity (such Securities being referred to as “Repayable Securities”), the Issuer will redeem each Note by notice to the Trustee and the Noteholders unless (a) the Trustee otherwise agrees, or (b) the Notes are Credit-linked Notes and such default constitutes (or may, with the lapse of time or exercise of an option, constitute) a Credit Event. Upon a mandatory redemption event, each Note will be redeemed in whole at its Redemption Amount or, as the case may be, on a pro rata basis at a Redemption Amount calculated by multiplying the outstanding principal amount of such Note by a fraction the numerator of which is the principal amount of the Repayable Securities and the denominator of which is the principal amount of the Securities that have not, immediately prior to the date of the notice, been the subject of any such notice. Upon such notice taking effect, the swap or option transaction relating to the Notes which are to be mandatorily redeemed will be terminated pro rata.

In these circumstances, the amount payable by the Counterparty to the Issuer shall be an amount equal to and in the currency of the aggregate principal amount payable by Issuer upon the redemption of the Notes (pro rata or in whole, as the case may be) and the amount payable by the Issuer to the Counterparty shall be an amount equal to and in the currency of the realised value of the Repayable Securities. In addition, the periodic amounts and the final exchange amounts payable by the Issuer and the Counterparty, respectively, under the Swap Agreement will be reduced accordingly.

### **Taxation**

#### *Withholding tax on swap payments*

Neither the Issuer nor the Counterparty is obliged under the Swap Agreement to gross-up if withholding taxes are imposed on payments made by either of them under the Swap Agreement.

If withholding taxes are imposed on payments made by the Issuer or the Counterparty under the Swap Agreement, then the Counterparty shall have the right to require the Issuer (subject to obtaining the prior written consent of the Trustee):

- (A) to transfer all of its interests and obligations under the Swap Agreement together with its interests and obligations under the Securities, the Notes, the Trust Deed, the applicable Custody Agreement and the Agency Agreement to another entity, whether or not in the same tax jurisdiction as the Issuer, as would not have any obligation to withhold or deduct (if the Issuer is or would be required to make such deduction or withholding) or to which the Counterparty would be entitled to make payments free from the relevant deduction or withholding (if the Counterparty is or would otherwise be required to make such withholding or deduction); or
- (B) to transfer its residence for tax purposes to another jurisdiction.

In the event that the Issuer is unable to transfer its interest to another party or to transfer its tax residence in accordance with the above provisions within the time limits specified under the Swap Agreement, then the Counterparty will be entitled to terminate the Swap transaction under the Swap Agreement.

BOATS Investments (Netherlands) B.V.  
Prins Bernhardplein 200

1097 JB Amsterdam  
The Netherlands

28 December 2006

**Reference: USD 10,000,000,000**  
**Series 95 EUR 3,380,000**  
**Secured Amortising Credit-linked Variable Interest Notes due 2036**

Dear Sirs,

The purpose of this letter agreement (this “**Confirmation**”) is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date specified below (the “**Transaction**”). This Confirmation constitutes a “Confirmation” as referred to in the Agreement specified below.

1. The definitions and provisions contained in the 2000 ISDA Definitions (the “**2000 Definitions**”) and the 1999 ISDA Credit Derivatives Definitions (the “**Credit Derivatives Definitions**”) are incorporated into this Confirmation. In the event of any inconsistency between those definitions, the 2000 Definitions will govern and in any case in the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern. References herein to a “Transaction” shall be deemed to be references to a “Swap Transaction” for the purposes of the 2000 Definitions.

This Confirmation supplements, forms part of, and is subject to, the 1992 ISDA Master Agreement dated as of 04 December, 1997 as amended and supplemented from time to time (the “Agreement”), between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

Party A and Party B each represents to the other that it has entered into this Transaction in reliance upon such tax, accounting, regulatory, legal, and financial advice as it deems necessary and not upon any view expressed by the other.

In this Confirmation “Party A” means Credit Suisse International and “Party B” means BOATS Investments (Netherlands) B.V.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date	:	28 December 2006
Effective Date	:	28 December 2006
Scheduled Termination Date	:	01 September 2036, subject to adjustment in accordance with the Modified Following Business Day Convention and the Credit Event Provisions below.
Notional Amount	:	EUR3,380,000.
Reference Entity	:	Each of the Reference Entities set out in Appendix A.
Reference Obligation	:	Each of the Reference Obligations set out in Appendix A in a principal amount equal to the relevant Reference Note Amount specified in that Appendix together with any Eligible Investments which are substituted in place

of other Reference Obligations pursuant to Condition 6(q) of the Notes or purchased by Party B pursuant to Condition 6(r) of the Notes (but excluding (i) any such Reference Obligations for which Eligible Investments have been substituted and (ii) Matured Reference Obligations) and cash paid as an Additional Party A Payment which is not applied in the purchase of Eligible Investments, subject to adjustment in accordance with Section 6.1.

#### Party A Payments

##### Fixed Amounts

Fixed Amounts Payer : Party A

Fixed Amount : Subject to adjustment in accordance with the provisions below following the occurrence of a Credit Event Party A shall pay to Party B the following amounts (each a "Fixed Amount") on the following dates ("Fixed Amount Payment Dates") subject to adjustment in accordance with the Modified Following Business Day Convention (each a "Fixed Amount Payer Payment Date") as set out in the table below.

<b>Fixed Amount Payment Dates</b>	<b>Fixed Amount (EUR)</b>
01/01/2007	8,566.95
01/02/2007	8,550.84
01/05/2007	8,534.77
01/08/2007	8,786.14
01/11/2007	9,302.98
01/02/2008	9,284.06
01/05/2008	9,265.19
01/08/2008	9,540.38
01/11/2008	10,107.32
01/02/2009	10,085.13
01/05/2009	10,062.99
01/08/2009	10,364.17
01/11/2009	10,985.93
01/02/2010	10,959.90
01/05/2010	10,933.95
01/08/2010	11,264.12
01/11/2010	11,947.19
01/02/2011	11,916.65
01/05/2011	11,886.20
01/08/2011	245,720.92
01/11/2011	11,697.16
01/02/2012	11,667.74
01/05/2012	11,638.42
01/08/2012	108,189.68
01/11/2012	12,206.24
01/02/2013	12,174.23
01/05/2013	12,142.32
01/08/2013	180,725.32
01/11/2013	12,352.58

Fixed Amount Payment Dates	Fixed Amount (EUR)
01/02/2014	12,319.58
01/05/2014	12,286.68
01/08/2014	192,489.51
01/11/2014	12,471.64
01/02/2015	12,437.61
01/05/2015	12,403.69
01/08/2015	263,138.12
01/11/2015	12,146.95
01/02/2016	12,114.35
01/05/2016	12,081.85
01/08/2016	207,923.55
01/11/2016	12,254.78
01/02/2017	12,220.92
01/05/2017	12,187.16
01/08/2017	174,455.78
01/11/2017	12,463.12
01/02/2018	12,427.74
01/05/2018	12,392.48
01/08/2018	236,588.75
01/11/2018	12,421.47
01/02/2019	12,385.34
01/05/2019	12,349.33
01/08/2019	318,603.62
01/11/2019	11,951.43
01/02/2020	11,916.42
01/05/2020	11,881.52
01/08/2020	315,611.96
01/11/2020	11,412.21
01/02/2021	11,378.81
01/05/2021	11,345.51
01/08/2021	190,848.82
01/11/2021	11,492.07
01/02/2022	11,457.33
01/05/2022	11,422.69
01/08/2022	203,950.87
01/11/2022	11,557.15
01/02/2023	11,520.72
01/05/2023	11,484.41
01/08/2023	365,705.10
01/11/2023	10,874.61
01/02/2024	10,839.41
01/05/2024	10,804.35
01/08/2024	215,627.87
01/11/2024	10,766.45
01/02/2025	10,730.25
01/05/2025	10,694.19
01/08/2025	365,899.05
01/11/2025	9,974.08
01/02/2026	9,939.49
01/05/2026	9,905.02
01/08/2026	473,294.01
01/11/2026	8,470.07
01/02/2027	8,440.77
01/05/2027	8,411.57
01/08/2027	428,626.19



Fixed Amount Payment Dates	Fixed Amount (EUR)
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01/11/2027	7,101.03
01/02/2028	7,076.51
01/05/2028	7,052.09
01/08/2028	201,100.18
01/11/2028	6,681.69
01/02/2029	6,658.08
01/05/2029	6,634.55
01/08/2029	294,151.14
01/11/2029	5,747.57
01/02/2030	5,727.27
01/05/2030	5,707.05
01/08/2030	292,311.34
01/11/2030	4,850.69
01/02/2031	4,833.28
01/05/2031	4,815.94
01/08/2031	282,997.56
01/11/2031	3,847.57
01/02/2032	3,833.98
01/05/2032	3,820.43
01/08/2032	119,594.65
01/11/2032	3,548.32
01/02/2033	3,535.55
01/05/2033	3,522.83
01/08/2033	105,055.38
01/11/2033	3,393.35
01/02/2034	3,380.36
01/05/2034	3,367.43
01/08/2034	223,199.48
01/11/2034	2,619.32
01/02/2035	2,608.99
01/05/2035	2,598.70
01/08/2035	147,721.85
01/11/2035	2,065.15
01/02/2036	2,056.93
01/05/2036	2,048.73
01/08/2036	142,319.89
01/09/2036	386,430.23

#### Party B Payments

Variable Amount Payer	:	Party B
Variable Amount Payment Dates	:	One Business Day following each Portfolio Payment Date falling in the period from, and including, the Effective Date to and including one Business Day prior to the Termination Date.
Party B Payment Amounts	:	An amount in USD or euro (as appropriate) equal to the Available Amount (as defined in Section 6.4(iii) below) due to be paid by a Reference Entity on the relevant Portfolio Payment Date.
Portfolio Payment Dates	:	Each day on which a payment in relation to the Portfolio is due to be made by a Reference Entity.

Business Days	:	London and TARGET Settlement Days.
Calculation Agent	:	Party A, whose determinations and calculations will be binding in the absence of manifest error.
Party B Additional Payment	:	If a Reference Obligation maturing after the Termination Date has been sold pursuant to the Custody Agreement, Party B will pay an amount in EUR equal to the net proceeds of sale thereof to Party A on the Final Fixed Amount Payment Date.

If a Reference Obligation is redeemed (in whole or in part) before the Termination Date, Party B will on the date of such redemption pay an amount equal to the redemption proceeds thereof paid by the Reference Entity in the currency of such redemption to Party A and Party A will pay an amount equal thereto in such currency to Party B on the same date.

### 3. **Credit Event Provisions**

Conditions to Payment	:	(i) Credit Event Notice
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Credit Event Notice is satisfied by delivery of a Credit Event Notice by Party A to Party B that is effective during the Notice Delivery Period.

“Notice Delivery Period” means the period from and including the Effective Date to and including the later of the Scheduled Termination Date and the Grace Period Extension Date or, if either such date falls in a Suspension Period, the final Day of such Suspension Period.

(ii) Notice of Publicly Available Information Not Applicable

(iii) Designation by Party A of a Valuation Date within 5 Business Days of the determination by Party A of the occurrence of a Credit Event, such Valuation Date to be within 10 Business Days of such designation.

Credit Event(s)	:	The following Credit Event(s) shall apply to this Transaction:
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(i) Bankruptcy

(ii) Failure to Pay

Grace Period Extension Applicable

Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

- (iii) Obligation Acceleration
- (iv) Repudiation/Moratorium
- (v) Restructuring
- (vi) Tax Event

Default Requirement : USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.

Obligation(s) :

Obligation Category : Payment

Obligation Characteristic(s) : None

#### 4. **Credit Event Settlement Terms for Party A and Party B**

Settlement Method : Cash Settlement in accordance with the below provisions.

Cash Settlement Date : 10 Business Days following the Valuation Date.

If Party A determines that a Credit Event has occurred and the Conditions to Payment have been met then:

(i) Party A shall calculate the Bond Cashflow Present Value on the Valuation Date.

(ii) Party A shall designate all or part of certain Fixed Amounts (and Party B's corresponding Interest Amount and Instalment Amount obligations under the Notes) no longer payable. The total of the present value of such designated Fixed Amounts at the offer side of the respective EUR interest rate swap curve, shall equal the Bond Cashflow Present Value. If there are insufficient Fixed Amounts to equal the Bond Cashflow Present Value, Party B shall release to the Liquidation Agent for sale sufficient amounts of the Affected Reference Obligations to pay this shortfall to Party A on the Cash Settlement Date. If there are insufficient amounts of the Affected Reference Obligations to pay the shortfall to Party A, this Transaction shall be terminated in whole on the Cash Settlement Date. In this circumstance Party A shall calculate the market value of this Transaction expressed in euro and (i) if such value is in favour of Party A, Party B shall pay such value to Party A or (ii) if such value is in favour of Party B, Party A shall pay such value to Party B, on the Cash Settlement Date.

## 5. **Dispute Resolution**

Section 10 of the Credit Derivative Definitions shall not apply for the purposes of this Transaction.

## 6. **Other Provisions**

### 6.1 **Portfolio Exchange**

Party A may at any time, on giving 10 Business Days' notice, require Party B to deliver to it on the date specified in such notice any Reference Obligation which at that time is comprised in the Portfolio against delivery by Party A to Party B of Eligible Investments. Any such Eligible Investment will then form part of the Portfolio and be deemed to be a Reference Obligation for the purposes of the Notes and this Transaction. Such substitution is subject to Party A obtaining the written consent of the Noteholders as to the Eligible Investments that are to be delivered to Party B and Party A shall provide to Party B a copy of such consent together with its notice requiring substitution.

### 6.2 **Counterparty Optional Termination**

For the purposes of this Transaction, Part 1 (m) applies.

### 6.3 **Grace Period and Suspension of Payments**

If Party A determines under this Transaction that a Reference Entity shall have failed to make any payment under any Reference Obligations on the originally scheduled date for such payment or in the originally scheduled amount of such payment, no payment shall be made by Party B during the applicable Grace Period under this Transaction, unless Party A determines that such failure has been remedied by the Reference Entity prior to the end of such Grace Period. Notwithstanding the foregoing, if Party A determines under this Transaction that the Reference Entity shall have remedied such failure prior to the end of such Grace Period, the balance of the payment that would otherwise have been payable under this Transaction shall be due on the second Business Day after the date on which Party A determines under this Transaction that such failure has been remedied. In determining whether a payment failure has (or may have) occurred, Party A may, without limitation, rely on evidence of non-receipt of funds.

If Party A determines that facts exist which may (assuming the expiration of any applicable Grace Period) amount to a Credit Event no payment shall be made by it under this Transaction for the period of six Business Days following such determination (the "Suspension Period"). At any time during the Suspension Period, Party A may determine that a Credit Event has occurred and designate a Valuation Date. If on the final Business Day of the Suspension Period no such determination and designation has been made, then two Business Days thereafter, Party A shall pay the balance of the scheduled payment that was otherwise due by it under this Transaction.

### 6.4 **Credit Derivatives Definitions**

- (i) Section 2.27 of the Credit Derivatives Definitions shall not be applicable to this Confirmation.
- (ii) The following Sections of the Credit Derivatives Definitions shall be amended as follows:

Sections 3.3 and 3.4 are amended so that the words "(which may be oral, including by telephone)" are deleted.

All Sections are amended by the deletion of the words “(after consultation with the parties)”.

(iii) The following terms are defined below:

“Affected Reference Obligations” means the Reference Obligations relating to an Affected Reference Entity.

“Affected Reference Entity” means a Reference Entity in respect of which Party A has determined a Credit Event to have occurred and the Conditions of Payment have been met in respect of that Credit Event.

“Available Amount” means the amount in USD or euro (as appropriate) in respect of interest and principal due to be paid by a Reference Entity on the Reference Obligations comprised in the Portfolio, if any (net of any Deductions).

“Bond Cashflow Present Value” means, in respect of an Affected Reference Obligation, on any date, an amount in euro equal to the sum of:

- (A) the present value in euro (converted at the then prevailing rate for the exchange of U.S. dollars into euro, as determined by Party A, when discounted at the bid side of the respective interest rate swap curve) of those originally scheduled amounts payable on or after that date, in respect of both principal and interest, by the Affected Reference Entity in respect of the Reference Amount (as determined by Party A as of that date) of the Affected Reference Obligations on the dates originally scheduled for such payments under the Affected Reference Obligations;
- (B) the value in euro (converted at the then prevailing rate for the exchange of U.S. dollars into euro, as determined by Party A) of those originally scheduled amounts that have prior to that date become payable by the Affected Reference Entity in respect of the Reference Amount (as determined by Party A as of that date) of the Affected Reference Obligations on the dates originally scheduled for such payments under the Affected Reference Obligations but have not been paid (“Arrears”); and
- (C) interest accrued in respect of the Arrears, from and including the dates originally scheduled for payment of the Arrears, compounding monthly, at a rate equal to the one month rate for deposits in euro in the London interbank market (as determined by Party A as at 11.00 a.m., London time, on that date).

“Custodian” means JPMorgan Chase Bank pursuant to a Custody Agreement dated 28 December 2006 entered into in relation to the Notes.

“Deductions” means an amount, determined by the Calculation Agent in its opinion equal to the aggregate of (i) any amount withheld or deducted or required to be withheld or deducted from any amount otherwise payable to Party B under the Reference Obligations comprised in the Portfolio in respect of any taxes, fees, levies, duties, charges or assessments to the extent that the issuer of such assets does not pay such additional amounts as would result in the receipt by Party B of such amounts (after it has discharged any such amount imposed, levied or assessed against it) as would have been received by Party B under such assets or securities had no such withholding or deduction been imposed and (ii) fees of any nature, in each case imposed, levied or assessed by or on behalf of any government, territory or taxing authority having jurisdiction over the issuer of such securities or any governmental subdivision thereof on Party B relating to such assets and (iii) any fees, taxes or duties imposed on Party B relating to the transfer of the assets and (iv) any funding costs incurred by Party B in respect of (i), (ii) and (iii).

**“Eligible Investments”** means in relation to any securities delivered pursuant to Condition 6(q) or 6(r) of the Notes, any debt obligation (including any debt obligation issued with a security interest over other assets or otherwise described as a collateralised debt obligation) which has a rating assigned by either Moody’s Investors Services, Inc. or Standard & Poor’s Ratings, a division of The McGraw Hill Group, equivalent to the respective ratings previously assigned to the relevant Matured Reference Obligation (as defined in the Terms and Conditions of the Notes) or relevant substituted Reference Obligation.

**“Notes”** means Party B’s Series 95 EUR3,380,000 Secured Amortising Credit-linked Variable Interest Notes due 2036.

**“Portfolio”** means the Reference Obligations other than any Affected Reference Obligations which shall be removed from the Portfolio in accordance with the provisions set out in the Terms and Conditions of the Notes.

**“Reference Entity”** means the issuer of each Reference Obligation.

**“Tax”** means 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.

**“Tax Event”** means:

- (i) the receipt by or on behalf of the Issuer of any amount in respect of the Reference Obligation from which an amount has been withheld or deducted for or on account of any Tax; or
- (ii) any payment in respect of the Reference Obligation being required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to be made subject to deduction or withholding on account of any Tax on the occasion of the next payment due, unless an additional amount is required under the terms of the Reference Obligation to be paid such that the amount to be received by the Issuer is the amount that would have been received had no such deduction or withholding been required; or
- (iii) any liability for any Tax is assessed directly against the Issuer in respect of any amount received in respect of the Reference Obligation resulting from any failure by the Reference Entity to so deduct or withhold.

## 6.5 **Calculation Agent**

The Calculation Agent shall not be obliged to provide a written computation showing its calculation of any Cash Settlement Amount and shall not be obliged to consult with Party B.

Party A:	Credit Suisse International
Tel:	020 7888 3114
Fax:	020 7888 7912
Attn:	Operations Department – Credit Derivatives Group

- 6.6 For the avoidance of doubt, nothing in this Confirmation will restrict Party B’s rights to deal with or dispose of any Reference Obligation comprised in the Portfolio.

## 7. **Account Details**

Payments in USD to Party A: Bank of New York, New York

Account No:	8900360968
For the attention of:	Credit Suisse International
Payments in EUR to Party A:	JPMorgan Chase Bank, Frankfurt
Account No:	623 1600 450
For the attention of:	Credit Suisse International
Payments to Party B:	JPMorgan Chase Bank, Frankfurt
Account No:	6231400604
For the account of:	JPMorgan Chase Bank, London
Ref:	BOATS Investments (Netherlands) B.V. Series 95 EUR3,380,000 Secured Amortising Credit-linked Variable Interest Notes due 2036

Credit Suisse International is regulated by The Financial Services Authority and has entered into this Transaction as principal. The time at which the above transaction was executed will be notified to Party B on request.

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

Yours sincerely

**CREDIT SUISSE INTERNATIONAL**

By: \_\_\_\_\_

Name:

Title:

Confirmed as of the date first written above.

**BOATS INVESTMENTS (NETHERLANDS) B.V.**

By: \_\_\_\_\_

Name:

Title:

## APPENDIX A

Reference Obligation No	Reference Obligation	Reference Note Amount
1.	Credit Suisse First Boston (USA) Incorporated 7.125 per cent. Notes due 2032 (ISIN: US22541LAE39)	USD 4,500,000
2.	Household Finance Corporation 7.35 per cent. Notes due November 2032 (ISIN: US441812KB90)	USD 1,929,000



## CERTAIN CREDIT EVENT PROVISIONS

**"Bankruptcy"** means a Reference Entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) 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; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d) 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, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (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 30 days of the institution or presentation thereof; (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) 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; (g) 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 30 days thereafter; (h) 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 (a) to (g) (inclusive); or (i) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

**"Credit Event Notice"** means an irrevocable notice from Party A to Party B (which may be oral, including by telephone) to the other party that describes a Credit Event that occurred on or after the Effective Date and on or prior to the later of:

(a) the Scheduled Termination Date; and

(b) the Grace Period Extension Date if:

- (i) Grace Period Extension is specified as applicable;
- (ii) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurred after the Scheduled Termination Date; and
- (iii) the Potential Failure to Pay with respect to such Failure to Pay occurred on or prior to the Scheduled Termination Date.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**"Failure to Pay"** means, after the expiration of any applicable (or deemed) Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations.

**"Grace Period"** means:

(i) subject to clauses (ii) and (iii), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Trade Date and the date as of which such Obligation is issued or incurred;

(ii) if Grace Period Extension is specified Confirmation as applicable, a Potential Failure to Pay has occurred on or prior to the Scheduled Termination Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Termination Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the related confirmation or, if no period is specified, thirty calendar days; and

(iii) if, at the later of the Trade Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applicable in the related confirmation, such deemed Grace Period shall expire no later than the Scheduled Termination Date.

“Grace Period Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the currency of denomination of the relevant Obligation.

“Grace Period Extension Date” means, if (a) Grace Period Extension is specified as applicable and (b) a Potential Failure to Pay occurs on or prior to the Scheduled Termination Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

“Obligation Acceleration” means one or more Obligations have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations in an aggregate amount of not less than the Default Requirement.

“Obligation Currency” means the currency or currencies in which an Obligation is denominated.

“Obligation Exchange” means the mandatory transfer (other than in accordance with the terms in effect as of the later of the Trade Date or date of issuance of the relevant Obligation) of any securities, obligations or assets to holders of Obligations in exchange for such Obligations. When so transferred, such securities, obligations or assets will be deemed to be Obligations.

“Potential Failure to Pay” means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligation.

“Repudiation/Moratorium” means a Reference Entity (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (b) declares or imposes a moratorium, standstill or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement.

“Restructuring” means that, (a) with respect to one or more Obligations, including as a result of an Obligation Exchange, and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs, is agreed between the Reference Entity and the holder or holders of such Obligation or is announced (or otherwise decreed) by a Reference Entity in a form that is binding upon a Reference Entity, and such event is not provided for under the terms of such Obligation in effect as of the later of the Trade Date and the date as of which such obligation is issued or incurred:

- (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 or (B) the payment of principal or premium;

(iv) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation; or

(v) any change in the currency or composition of any payment of interest or principal.

(b) Notwithstanding the provisions of (a) above, none of the following shall constitute a Restructuring:

(i) the payment in euros of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;

(ii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.

(c) If an Obligation Exchange has occurred, the determination as to whether one of the events described under (a)(i) to (v) has occurred will be based on a comparison of the terms of the Obligation immediately before such Obligation Exchange and the terms of the resulting Obligation immediately following such Obligation Exchange.

"Termination Date" means either (a) the Cash Settlement Date or (b) the Scheduled Termination Date.

## DUTCH TAXATION

The summary below is intended as general information only and it does not purport to present any comprehensive or complete picture of all aspects of Dutch tax law which could be of relevance to the holder of a Note (the "Noteholder", together referred to as the "Noteholders"). It is limited to Dutch tax law as applied by the Dutch courts and published and in effect on the date of this supplement and it is subject to any change in law, possibly with retroactive effect.

Save as otherwise indicated, this summary only addresses the position of investors who do not have any connection with the Netherlands other than the holding of the Notes.

Prospective investors should consult their own professional advisers with respect to the tax consequences of an investment in the Notes.

The summary provided below is based on the Dutch tax laws as generally interpreted and applied by the Dutch courts at the date of this Issue Memorandum, without prejudice to any changes in law or the interpretation or application thereof, which changes may be implemented with or without retroactive effect.

The Issuer has been advised that the following Dutch tax treatment will apply to the Notes provided that:

- (1) in each and every respect the terms and conditions of each of the documents, the performance by the parties thereto of their respective obligations and the exercise of their rights thereunder and the transactions contemplated therein, including, without limitation all payments made thereunder, are at arm's length;
- (2) Notes will not be issued under such terms and conditions that the Notes actually function as equity of the Issuer within the meaning of article 10, paragraph 1 under (d), of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);

**PROSPECTIVE HOLDERS OF A NOTE AND INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF THE ACQUISITION, HOLDING OR DISPOSAL OF A NOTE.**

**(A) Withholding Tax**

All payments of interest and principal under a Note made by the Issuer may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

**(B) Taxes on Income and Capital Gains**

*Residents of the Netherlands*

The description of certain Dutch taxes set out below is only intended for the following Noteholders:

- individuals who are resident or deemed to be resident of The Netherlands or individuals who have opted to be taxed as a resident of The Netherlands for the purpose of the relevant Dutch tax law provisions; and
- corporate entities, which term includes associations which are taxable as corporate entities under Dutch tax law, which are resident or deemed to be resident of The Netherlands for the purpose of the relevant Dutch tax law provisions, excluding corporate entities which are: (i) not subject to Dutch corporate income tax (*vennootschapsbelasting*), (ii) exempt from Dutch corporate income tax, including but not limited to pension funds (*pensioenfondsen*) as defined under Dutch law, (iii) investment institutions (*beleggingsinstellingen*) as defined under Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*); or (iv) subject to a special regime such as, amongst others, banks, insurance companies and brokers.

*Individuals*

Generally, an individual, to whom none of the exemptions of the following paragraph applies, will be subject to Dutch income tax on the basis of a deemed yield from the Notes, regardless of the actual income (including any capital gains) derived from the Notes. The deemed yield amounts to 4 per cent of the average value of the Noteholder's net assets in the relevant fiscal year, including the Notes. The deemed yield, as reduced by certain base allowances, will be taxed at a flat rate of 30 per cent.

Any benefits derived or deemed to be derived from the Notes (including any capital gains realised on the disposal thereof) which are: (i) attributable to an enterprise from which the resident derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or as shareholder, (ii) taxable as benefits from "miscellaneous activities" (*resultaat uit overige werkzaamheden*) (as defined in Dutch tax law),

which include but are not limited to activities which are beyond the scope of regular active asset management (*normaal actief vermogensbeheer*) (as defined in Dutch tax law), and (iii) connected with employment income or (iv) derived from a substantial interest or a deemed substantial interest in the Issuer, are generally subject to Dutch income tax at progressive rates with a maximum of 52 per cent.

Generally, a person will have a substantial interest (*aanmerkelijk belang*) (as defined in Dutch tax law) if he, or his partner (*partner*) (as defined in Dutch law) holds, alone or together, whether directly or indirectly, the ownership of, or certain other rights over, shares representing five per cent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the issuer, or rights to acquire, whether directly or indirectly shares, whether or not already issued, that represent at any time (and from time to time) five per cent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer or the ownership of certain profit participating certificates that relate to five per cent or more of the annual profit of the Issuer and/or to five per cent or more of the liquidation proceeds of the Issuer. A substantial interest is also present if a holder of shares does not, but his or his partner's children (including foster children), certain of his or his partner's other relatives or certain persons sharing his household do have a substantial interest in the Issuer. A deemed substantial interest is also present, if (part of) a substantial interest has been disposed of, or is deemed to have been disposed of, on a non-recognition basis as a result whereof the above-mentioned interest in the Issuer has been reduced to less than 5 per cent.

#### *Corporate entities*

A resident of The Netherlands which is a corporate entity will generally be subject to Dutch corporate income tax with respect to income (including any capital gains) derived from the Notes. The Dutch corporate income tax rate (2007) is 20 per cent over the first EUR 25,000 of taxable income, 23.5 per cent over any taxable income between EUR 25,000 and EUR 60,000 and 25.5 per cent over any taxable income exceeding EUR 60,000.

#### *Non-residents of the Netherlands*

A Noteholder who derives income or who realises a gain from the disposal or redemption of a Note will not be subject to Dutch taxation on such income or gain, provided that:

- (i) the Noteholder is neither resident nor deemed to be resident of The Netherlands for Dutch tax purposes and, if the Noteholder is an individual, he has not elected to be treated as a resident of The Netherlands for the purpose of the relevant Dutch tax law provisions;
- (ii) the Noteholder does not have an enterprise or deemed enterprise (as defined in Dutch tax law) or an interest in an enterprise or deemed enterprise (as defined in Dutch tax law) that is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and to which enterprise or part of that enterprise, as the case may be, the Notes are attributable;
- (iii) the Noteholder is not entitled to a share in the profits of an enterprise that is effectively managed in The Netherlands, other than by way of securities or through an employment contract, and to which enterprise the Notes are attributable;
- (iv) the Noteholder does not have a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest in the Issuer as defined in the Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*);
- (v) the Noteholder does not carry out and has not carried out employment activities in The Netherlands nor carries or carried out employment activities outside The Netherlands for which the remuneration is subject to Dutch wage withholding tax and with which employment activities the holding of the Notes is connected; and

- (vi) the Noteholder does not derive benefits from the Notes that are taxable as benefits from miscellaneous activities in The Netherlands (*resultaat uit overige werkzaamheden in Nederland*) as defined in the Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*), which include, but are not limited to, activities in respect of the Notes which are beyond the scope of “regular active asset management” (*normaal actief vermogensbeheer*).

Under Dutch law a Noteholder will not be deemed resident, domiciled or carrying on a business in The Netherlands by reason only of its holding of the Notes or the performance by the Issuer of its obligations under the Notes.

#### **(C) Gift and Inheritance Taxes**

No gift, estate or inheritance taxes will arise in The Netherlands with respect to the acquisition of a Note by way of gift by, or on the death of, a Noteholder who is neither resident nor deemed to be resident of The Netherlands, unless:

- (i) the Noteholder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands and to which enterprise or part of an enterprise, as the case may be, the Notes are attributable;
- (ii) the Notes are or were attributable to an enterprise that is effectively managed in The Netherlands and at the time of the gift the donor is, or at the time of his death the deceased was, entitled to a share in the profits of that enterprise or part thereof other than by way of securities or through an employment contract; or
- (iii) in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident of The Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in The Netherlands.

For the purpose of Dutch gift, estate and inheritance tax, an individual who has the Dutch nationality will be deemed to be a resident of The Netherlands at the date of the gift or the date of his death, if he has been a resident of The Netherlands at any time during the ten years preceding the date of his gift or the date of his death.

For the purposes of Dutch gift tax, an individual who does not have the Dutch nationality will be deemed to be a resident of The Netherlands at the date of the gift, if he has been a resident of The Netherlands at any time during the twelve months preceding the date of the gift.

#### **(D) Value Added Tax**

No value added tax (*Omzetbelasting*) will arise in The Netherlands in respect of any payment of interest and principal by the Issuer under, or with respect to any payment by a Noteholder in consideration for its acquisition of, a Note.

#### **(E) Stamp duty**

No stamp duty, registration tax or any other similar documentary tax or duty, other than court fees, will be payable in The Netherlands in respect of or in connection with the Issuer's Issue or performance, or a Noteholder's transfer or enforcement, of a Note.

#### **(F) EU Savings Directive**

On 3 June 2003, the European Union Council Directive 2003/48/EC on the taxation of savings income (the "Savings Directive") was adopted by the European Council. Under the Savings Directive, each Member State of the European Union is required, from 1 July 2005, to provide to

the tax authorities of another Member State details of payments of interest (or similar income) paid by a paying agent within its jurisdiction to an individual resident in another Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain agreements relating to information exchange with certain other countries and territories).

A number of non-European Union countries and territories, including Switzerland, have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

## IRISH TAXATION

*The following is a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons such as dealers in securities. The summary does not apply to Alternative Investments.*

*The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Issue Memorandum, which are subject to prospective or retroactive change. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.*

### Income Tax

In general, persons who are resident in Ireland are liable to Irish taxation on their worldwide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

A Note issued by the Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a bearer security is deemed to be situate where it is physically located or a debt is deemed to be situate where the debtor resides. However, the interest earned on such Notes is exempt from income tax if paid to a person who for the purposes of Section 198 of the Taxes Consolidation Act 1997 ("**TCA 1997**") is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a Member State of the European Communities (other than Ireland) or not being such a Member State a territory with which Ireland has entered into a double tax treaty. A list of the countries with which Ireland has entered into a double tax treaty is available at [www.revenue.ie](http://www.revenue.ie).

If the above exemption does not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

- (a) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or
- (b) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or
- (c) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

### Withholding Taxes

In general, withholding tax at the rate of 20 per cent. must be deducted from interest payments made by an Irish company. However, Section 246 TCA 1997 ("**Section 246**") provides that this general obligation to withhold tax does not apply in respect of, inter alia, interest payments made by the Issuer to a person, who by virtue of the law of the relevant territory, is resident for the purposes of tax in a relevant territory (see above for details). This exemption does not apply if the interest is paid to a company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency.



Apart from Section 246, Section 64 TCA 1997 (“**Section 64**”) provides for the payment of interest on a “quoted Eurobond” without deduction of tax in certain circumstances. A quoted Eurobond is defined in Section 64 as a security which:

- (i) is issued by a company;
- (ii) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established); and
- (iii) carries a right to interest.

There is no obligation to withhold tax on quoted Eurobonds where:

- (a) the person by or through whom the payment is made is not in Ireland, or
- (b) the payment is made by or through a person in Ireland, and
  - (i) the quoted Eurobond is held in a recognised clearing system (Euroclear, Clearstream, Frankfurt and Clearstream, Luxembourg have been designated as recognised clearing systems); or
  - (ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently 20 per cent.) from interest on any quoted Eurobond, where such interest is collected by a person in Ireland on behalf of any holder of Notes.

### **Capital Gains Tax**

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable.

### **Capital Acquisitions Tax**

If the Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponer or if the donee/successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the donee/successor may be liable to Irish capital acquisitions tax. As a result, a donee/successor may be liable to Irish capital acquisitions tax, even though neither the disponer nor the donee/successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

### **Stamp duty**

For as long as the Issuer is a qualifying company within the meaning of Section 110 TCA 1997, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer’s business.

**THE ABOVE SUMMARIES ARE NOT EXTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE OWNERSHIP OF NOTES, PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE CONSEQUENCES OF THEIR PARTICULAR SITUATION.**

## INFORMATION RELATING TO COUNTERPARTY

*The Counterparty accepts sole responsibility for this section entitled "Information Relating to the Counterparty". The Counterparty (which having taken all reasonable care to ensure that such is the case) confirms that the information contained in this section is in accordance with the facts and contains no omission likely to affect the import of such information. None of the Issuer, the Trustee or any other party to the transaction (save for the Counterparty) has verified, or accepts any liability whatsoever for the accuracy of such information and prospective investors should make their own independent investigations into the Counterparty.*

The Counterparty is Credit Suisse International. The Counterparty was incorporated in England and Wales under the Companies Act 1985, on May 9, 1990, with registration number 2500199 and was re-registered as an unlimited liability company under the name "Credit Suisse Financial Products" on 6 July, 1990. Its registered office and principal place of business is at One Cabot Square, London E14 4QJ, telephone number +44 (0)207 888 2000. The Counterparty is an English bank and is regulated as an EU credit institution by The Financial Services Authority ("FSA") under the Financial Services and Markets Act 2000. The FSA has issued a scope of permission notice authorising the Counterparty to carry out specified regulated investment activities. With effect from March 27, 2000, the Counterparty was renamed "Credit Suisse International".

The Counterparty is an unlimited liability company and, as such, its shareholders have a joint, several and unlimited obligation to meet any insufficiency in the assets of the Counterparty in the event of its liquidation. The joint, several and unlimited liability of the shareholders of the Counterparty to meet any insufficiency in the assets of the Counterparty will only apply upon liquidation of the Counterparty.

The Counterparty commenced business on July 16, 1990. Its principal business is banking, including the trading of derivative products linked to interest rates, equities, foreign exchange, commodities and credit. The primary objective of the Counterparty is to provide comprehensive treasury and risk management derivative product services worldwide. The Counterparty has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets. The Counterparty is part of the Credit Suisse division of Credit Suisse.

## INFORMATION RELATING TO THE REFERENCE OBLIGATIONS AND THE ISSUERS OF THE REFERENCES OBLIGATIONS

*The following information relating to the Reference Obligations and the issuers thereof has been accurately reproduced from:*

- (i) in respect of Reference Obligation No.1, the issue document in respect of Reference Obligation No. 1 dated 12 July 2002 which was published by the issuer of Reference Obligation No. 1 and which is available from Bloomberg®; and*
- (ii) in respect of Reference Obligation No. 2, the issue document in respect of Reference Obligation No. 2 dated 20 November 2002 which was published by the issuer of Reference Obligation No. 2 and which is available from Bloomberg®.*

*So far as the Issuer is aware and is able to ascertain from information published by the issuers of the Reference Obligations, no facts have been omitted which would render the reproduced information misleading. None of the Issuer, the Arranger, the Trustee, the Counterparty has verified, or accepts any liability whatsoever for the accuracy of, such information and prospective investors in the Notes should make their own independent investigations and enquiries into the Reference Obligations and the issuers thereof.*

### **Reference Obligation No. 1**

Issuer: Credit Suisse First Boston (USA), Inc. (now known as "Credit Suisse (USA), Inc.")

Registered Address: Eleven Madison Avenue, New York, NY 10010, United States of America

Nature of business: Investment Banking

Country of Incorporation: United States of America

Listing: Reference Obligation No. 1 has been admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

Issue Date: 19 July 2002

Maturity Date: 15 July 2032

Governing law: State of New York

### **Reference Obligation No. 2**

Issuer: Household Finance Corporation (now known as "HSBC Finance Corporation")

Registered Address: 2700 Sanders Road, Prospect Heights, Illinois, 60070, United States of America

Nature of business: Financial Services

Country of Incorporation: United States of America

Listing: Reference Obligation No. 2 has been admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

Issue Date: 27 November 2002

Maturity Date: 27 November 2032

Governing law: State of Illinois

## SUBSCRIPTION AND SALE

Pursuant to the dealer agreement dated 12th February, 1998, as amended or supplemented from time to time between the Issuer and the Arranger (the "Dealer Agreement"), the Notes will be offered on a continuous basis by the Issuer to the Arranger and/or other such dealer(s) (each, a "Dealer") as may be appointed from time to time in respect of any Series pursuant to the Dealer Agreement (subject to certain restrictions contained therein). Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the Arranger or the relevant Dealer. The Notes may also be sold by the Issuer through a Dealer, acting as agent of the Issuer.

The name or names of the Dealer or Dealers (if any) of the Notes, the Issue Price of the Notes and, if listed, any commissions payable in respect thereof will be specified in the applicable Issue Memorandum.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, notwithstanding the possible availability of exemptions from the registration requirements of the Securities Act for certain transactions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons at any time. Accordingly, no person who is within the United States or any U.S. person is or will be entitled to rely on the information or disclosures contained in this Issue Memorandum.

The Arranger has represented and agreed (and, upon acceding to the Dealer Agreement, each Dealer will represent and agree) that it has not offered or sold, and will not offer or sell, any Notes within the United States or to a United States person. Accordingly, the Arranger has further represented and agreed (and, upon acceding to the Dealer Agreement, each Dealer will further represent and agree) that neither it nor any of its affiliates nor any person acting on its or their behalf has engaged, or will engage, in any directed selling efforts with respect to the Notes. The Arranger has further represented and agreed (and, upon acceding to the Dealer Agreement, each Dealer will further represent and agree) that in the event that it sells any Notes to any distributor or person receiving a selling concession, fee or other remuneration in respect of the sale of Notes, it will send a confirmation or notice substantially to the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, notwithstanding the possible availability of exemption from the registration requirements of the Securities Act, may not be offered and sold in the United States or to, or for the account or benefit of, U.S. persons at any time. If you are a distributor or dealer or person receiving a selling commission, fee or other remuneration in respect of the sale of the Notes, you will send a similar confirmation or notice to any purchaser from you of Notes. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act."

Terms used in the preceding two paragraphs have the meanings given to them by Regulation S under the Securities Act.

In respect of Notes that are expressed in the applicable Issue Memorandum to be subject to the C Rules, the following applies:

In addition, the Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. The Arranger has represented and agreed (and, upon acceding to the Dealer Agreement, each Dealer will represent and agree) that it has not offered, sold or delivered, and that it will not offer, sell or deliver, directly or indirectly, the Notes within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of the Notes, the Arranger has represented and agreed (and upon acceding to the Dealer Agreement, each Dealer will represent and agree) that it has not communicated, and that it will not communicate, directly or indirectly, with a prospective purchaser if either the Arranger (or such Dealer) or such purchaser is within the United States or

its possessions or otherwise involve its United States office in the offer or sale of the Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder, including the C Rules.

In respect of Notes that are expressed in the applicable Issue Memorandum to be subject to the D Rules, the following applies:

In addition, the Arranger has represented and agreed (and, upon acceding to the Dealer Agreement, each Dealer will represent and agree) that (1) it has not offered, sold or delivered, and will not during the restricted period or at any time thereafter offer, sell or deliver, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and (2) it has and throughout the restricted period and at all times thereafter will have in effect procedures including those set out in (1) above reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period or at any time thereafter to a person who is within the United States or its possessions or to a United States person. The Arranger, and upon acceding to the Dealer Agreement, each Dealer, with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, will either (a) repeat and confirm the representations and agreements contained in (1) and (2) on such affiliate's behalf or (b) obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in (1) and (2) above. The Arranger has acknowledged (and, upon acceding to the Dealer Agreement, each Dealer will acknowledge) that the restrictions referred to herein and contained in the Dealer Agreement are more extensive than those required under the D Rules, in that they are designed to preclude offers or sales of the Notes within the United States or to United States persons at any time, including after the end of the restricted period. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder, including the D Rules.

The Notes are subject to the C Rules for the purposes of TEFRA.

In addition:

References to "restricted period" in the Section headed "Subscription and Sale" herein shall be read as references to "distribution compliance period".

Notes (including rights representing an interest in a Global Note) may not, directly or indirectly, be, or announced to be, offered, sold, transferred, or delivered prior to their initial distribution or at any time thereafter, to or to the order of or for the account of any person anywhere in the world, other than professional market parties, including, *inter alia*, (i) regulated credit institutions, insurance companies, securities firms, investment institutions and pension funds in a Member State of the European Union, Liechtenstein, Iceland, Norway, Hungary, Monaco, Poland, Puerto Rico, Saudi Arabia, Slovakia, the Czech Republic, Turkey, South Korea, the United States of America, Japan, Australia, Canada, Mexico, New Zealand or Switzerland and regulated subsidiaries thereof, (ii) central and local governments, central banks, international treaty organisations, supranational institutions, (iii) enterprises and institutions with assets totalling EUR 500,000,000 or more, (iv) enterprises, institutions or natural persons with net equity of at least EUR 10,000,000 and which or who have during two calendar years been active on the financial markets at least twice per month and (v) enterprises and institutions which have a rating of a rating agency that is recognised by the Dutch Central Bank or which issue securities that have a rating from such rating agency, all within the meaning of and as further described and defined in Section 1, paragraph e, of the Dutch Ministerial Regulation of 26 June 2002, as amended from time to time, implementing, *inter alia*, Section 6, paragraph 2 of the 1992 Act of the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*), as amended from time to time.

## United Kingdom

The Arranger and each Dealer has represented and agreed that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **Japan**

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan and, accordingly, the Arranger and each Dealer has undertaken that it has not offered or sold, and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan or located in Japan.

## **The Netherlands**

### **Act on Financial Supervision – global**

Notes (including rights representing an interest in any Global Note) may not, directly or indirectly, be, announced to be, offered, sold, resold, delivered or transferred as part of their initial distribution of at any time thereafter to or to the order of or for the account of any person anywhere in the world other than professional market parties ("**Professional Market Parties**") within the meaning of and as further described and defined in article 1 of the Act on Financial Supervision (Wet op het financieel toezicht) and the regulations pursuant thereto, as amended from time to time, being:

- (A) Legal entities licensed or otherwise authorised or regulated to operate in the financial markets;
- (B) Legal entities without a licence and not so authorised or regulated to operate in the financial markets with the sole corporate purpose to invest in securities;
- (C) National or regional governments, central banks, international and supranational institutions and similar international institutions;
- (D) Legal entities with their seat in the Netherlands which:

- (1) meet at least two of the following three criteria:
    - (a) an average number of employees over the financial year of less than 250;
    - (b) a balance sheet total not exceeding EUR 43,000,000; and
    - (c) an annual net turnover not exceeding EUR 50,000,000; and
  - (2) at their own request, have been registered as qualified investor by the AFM.
- (E) Legal entities which according to their most recent (consolidated) annual accounts meet at least two of the following three criteria:
- (a) an average number of employees over the financial year of at least 250;
  - (b) a balance sheet total in excess of EUR 43,000,000; and
  - (c) an annual net turnover in excess of EUR 50,000,000;
- (F) Natural persons domiciled in the Netherlands who have been registered as qualified investor by the AFM and who meet at least two of the following three criteria:
- (1) the investor has carried out transactions of a significant size on securities markets at an average frequency of, at least, ten (10) per quarter over the previous four quarters;
  - (2) the size of the person's securities portfolio exceeds EUR 500,000; and
  - (3) the person works or has worked for at least one year in the financial sector in a professional position which requires knowledge of securities investment;
- (G) Natural persons or enterprises considered as qualified investors in another Member State pursuant to article 2, first paragraph, part (e) under (iv) alternatively (v), of the Prospectus Directive;
- the parties under (A) up to and including (G) being qualified investors ("**Qualified Investors**");
- (H) Subsidiaries of Qualified Investors provided such subsidiaries are subject to supervision on a consolidated basis;
- (I) Legal entities with a balance sheet total of at least EUR 500,000,000 as per the balance sheet as of the year end preceding the date they purchase or acquire the Notes;
- (J) Persons or companies with net equity of at least EUR 10,000,000 as per the balance sheet as of the financial year end preceding the date they purchase or acquire the Notes and who or which have been active in the financial markets on average twice a month over a period of at least two consecutive years preceding such date;
- (K) Legal entities which have a rating of a rating agency that is recognised by the Dutch Central Bank ("**DCB**") or which issue securities that have a rating from such rating agency;
- (L) Legal entities established for the sole purpose of:
- (1) transactions for the acquisition of receivables that serve as security for securities (to be) offered;



- (2) transactions for the investment in sub-participations or derivatives as to the transfer of credit risk that may be settled by transfer of receivables to such legal persons or companies, while the rights pursuant to the sub-participations or derivatives, will be used as security for the securities (to be) offered; or
- (3) providing credit for the benefit of Qualified Investors and their subsidiaries as referred to under (H) above.

If at the time of issue of Notes (including rights representing an interest in a Global Note) the Issuer is not reasonably able to identify the current or future holders thereof, it may nevertheless issue such Notes if it has made an effort to ensure that such Notes will be held by Professional Market Parties only. Sufficient effort has been taken:

- (A) if the Notes have a denomination of at least EUR 50,000 (or the equivalent in any other currency) or have a denomination of less than EUR 50,000 but can only be acquired or transferred in lots with a nominal value of at least EUR 50,000 (or the equivalent in any other currency); or
- (B) by including a the following selling restriction:

THIS NOTE (OR ANY INTEREST HEREIN) MAY NOT, DIRECTLY OR INDIRECTLY, BE OR ANNOUNCED TO BE, OFFERED, SOLD, RESOLD, DELIVERED OR TRANSFERRED AS PART OF ITS INITIAL DISTRIBUTION OR AT ANY TIME THEREAFTER TO OR TO THE ORDER OF OR FOR THE ACCOUNT OF ANY PERSON ANYWHERE IN THE WORLD, OTHER THAN TO PROFESSIONAL MARKET PARTIES WITHIN THE MEANING OF THE ACT ON FINANCIAL SUPERVISION (WET OP HET FINANCIEEL TOEZICHT) AND THE REGULATIONS PURSUANT THERETO, AS AMENDED FROM TIME TO TIME.

EACH HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN), BY PURCHASING THIS NOTE (OR ANY INTEREST HEREIN), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED FOR THE BENEFIT OF THE ISSUER THAT (1) IT IS ACTING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ANOTHER PROFESSIONAL MARKET PARTY, (2) THIS NOTE (OR ANY INTEREST HEREIN) MAY NOT BE OR ANNOUNCED TO BE OFFERED, SOLD, RESOLD, DELIVERED OR TRANSFERRED TO OTHERS THAN TO PROFESSIONAL MARKET PARTIES ACQUIRING THE SAME FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF A PROFESSIONAL MARKET PARTY AND (3) THE HOLDER WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS DESCRIBED HEREIN TO ANY SUBSEQUENT TRANSFEREE.

### **Act on Financial Supervision – European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **“Relevant Member State”**), the Arranger and each Placement Agent has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **“Relevant Implementation Date”**) it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (A) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (B) at any time to Qualified Investors; or

- (C) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **Savings Certificates Act**

In addition and without prejudice to the relevant restrictions set out above, Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever (“**Zero Coupon Notes**”) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or an admitted institution (*toegelaten instelling*) of Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by Euronext Amsterdam N.V., in accordance with the Savings Certificates Act (*Wet inzake spaarbewijzen*) as amended from time to time. No such mediation is required in respect of:

- (A) the transfer and acceptance of Zero Coupon Notes whilst in the form of rights representing an interest in a Zero Coupon Instrument in global form;
- (B) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof;
- (C) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession; or
- (D) the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Instrument in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter.

In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 March 1987 attached to the Royal Decree of 11 March 1987 as published in the Official Gazette 1987, 129, as amended from time to time, each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes.

## APPENDIX: BASE TERMS AND CONDITIONS OF THE NOTES

*Unless it is specified in the applicable Issue Memorandum that the Notes are issued in registered form, the text of the terms and conditions set out below, as supplemented by or varied in accordance with the applicable Supplemental Trust Deed, and described in the applicable Issue Memorandum, will apply thereto and, subject to the deletion of inapplicable provisions, will be endorsed on the Notes in definitive form. If the Notes are issued in registered form, the terms and conditions will be as set out in the applicable Issue Memorandum. References in the terms and conditions to “Notes” are to Notes of one Series only, not to all Notes that may be issued.*

The Notes are constituted and secured by a supplemental trust deed (as the same may be amended, supplemented or restated from time to time, the “Supplemental Trust Deed”) dated the Issue Date specified in the Supplemental Trust Deed between BOATS Investments (Netherlands) B.V. (the “Issuer”), Credit Suisse International (the “Counterparty”) and J.P. Morgan Trustee and Depositary Company Limited whose office is as at the Issue Date at Trinity Tower, 9 Thomas More Street, London E1W 1YT, as trustee for the holders of Notes (the “Trustee”, which expression includes, where the context admits, any successors thereto) and by a principal trust deed dated 12th February, 1998 between the Issuer, the Counterparty and the Trustee (as the same may be amended, supplemented or restated from time to time, the “Principal Trust Deed” and together with the Supplemental Trust Deed, the “Trust Deed”).

Payments under the Notes will be made pursuant to an agency agreement dated 12th February, 1998 (as the same may be amended, supplemented or restated from time to time, the “Agency Agreement”) between the Issuer, the Trustee, JPMorgan Chase Bank, N.A. as principal paying agent (in such capacity, the “Principal Paying Agent”, which expression includes, where the context admits, any successors thereto, and together with any other paying agents appointed, the “Paying Agents”, which expression includes, where the context admits, any successor or additional paying agents) and as authentication agent (in such capacity, the “Authentication Agent”, which expression includes, where the context admits, any successors thereto) and Credit Suisse International as agent bank (in such capacity, the “Agent Bank”, which expression includes, where the context admits, any successors thereto) and as calculation agent (in such capacity, the “Calculation Agent”, which expression includes, where the context admits, any successors thereto).

The Notes are subject to these terms and conditions as modified or supplemented by the terms set out in the Supplemental Trust Deed (the “Conditions”) and the detailed provisions of the Trust Deed and the Agency Agreement, copies of which are available for inspection at the principal office of the Trustee and the specified office of the Principal Paying Agent. The holders of the Notes (the “Noteholders”) and the holders of the coupons (the “Coupons”), if any, appertaining thereto (the “Couponholders”) are entitled to the benefit of, and are deemed to have notice of, all the provisions contained in the Trust Deed and the Agency Agreement, which provisions are binding on them.

The Issuer has entered into an ISDA Master Agreement (together with the Schedule thereto, the “Master Agreement”) with the Counterparty and the Counterparty has issued a confirmation confirming the terms of a swap or option transaction entered into pursuant thereto with an effective date as of the Issue Date (together with the Master Agreement, the “Swap Agreement”).

### 1. **Form, Denomination and Title**

The Notes are in bearer form in the Denomination(s) specified in the Supplemental Trust Deed with, unless the Notes are Zero Coupon Notes, Coupons attached.

The holder of any Note or Coupon shall be treated at all times for all purposes (to the fullest extent permitted by applicable law) by each of the Issuer, the Trustee and the Paying Agents as the absolute owner thereof (whether or not such Note or Coupon shall be overdue and notwithstanding any notice to the contrary).

## 2. **Status and Winding up**

### (a) *Status*

The Notes and the Coupons (if any) are secured, limited recourse obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves.

### (b) *Winding up*

On a winding up (including bankruptcy, moratorium of debts and voluntary dissolution) of the Issuer, the net proceeds of the security described below shall be applied as set out in these Conditions.”

## 3. **Security**

### (a) *Description of Security*

The Issuer’s obligations under the Trust Deed, the Notes, the Coupons (if any) and the Swap Agreement are, save as provided below, secured by way of charge, pledge or other security interest, as specified in the Supplemental Trust Deed, over one or both of (a) certain securities (the “Securities”) that are owned by the Issuer and (b) the rights of the issuer under certain agreements entered into by it in connection with the Notes and the Securities (if any), in each case in favour of the Trustee. The Issuer’s obligations under the Trust Deed, the Notes and the Coupons (if any) are also secured by an assignment by way of security of the Issuer’s rights under the Swap Agreement in favour of the Trustee for itself and for the benefit of the Noteholders and the Couponholders (if any). With effect from the Issue Date, the Issuer has assigned to the Principal Paying Agent the benefit of the undertaking given by the Counterparty to the Issuer to pay to the Principal Paying Agent certain sums due to the Issuer under the Swap Agreement (the “Principal Paying Agent Assignment”). The assignment by way of security by the Issuer of its rights under the Swap Agreement in favour of the Trustee for itself and for the benefit of the Noteholders and the Couponholders (if any) is made expressly subject to the Principal Paying Agent Assignment As used in these Conditions, “Security” means the security to which the Mortgaged Property (as defined in the Trust Deed) is subject. In addition, the Issuer may, without the consent of the Trustee, issue unsecured notes provided that pursuant to their terms, (i) the maximum amount due on such notes is limited to the Available Assets and to the extent that the Available Assets are not sufficient to meet in full the claims of the holders of such unsecured notes none of the other assets of the Issuer will be available to meet such shortfall, and all claims in respect of such shortfall shall be extinguished; and (ii) the Issuer shall ensure that all Available Assets shall be kept segregated (and identified as Available Assets in respect of such notes) from any other assets of the Issuer.

In these Conditions, “Available Assets” means the sums (if any) available from the swap agreement and/or the securities referred to in the terms of the relevant notes, or sums available on realisation of such swap agreement and/or securities, and/or such other assets and/or moneys all as specified in such terms after making any payments due in respect of such swap agreement provided that such Available Assets do not form or comprise the Mortgaged Property in respect of any Notes.

### (b) *Realisation of Security*

If the Security becomes enforceable following non-payment of principal of the Notes, the Trustee shall realise the Security (including, if any, the Securities or the Repayable Securities (as defined below)), as the case may be and, where necessary, take action against the issuer of the Securities or the Repayable Securities, as the case may be, to enforce repayment of the Securities or the Repayable Securities, as the case may be,

provided that the Trustee shall not be required to take any action that would involve the Trustee in personal liability or expense unless indemnified to its satisfaction.

In the case of an early redemption or acceleration of the Notes, the net proceeds of the enforcement of the Security shall be applied towards payment of the Redemption Amount (as described below) and interest (if any) and the corresponding termination payment (if any) to the Counterparty under the Swap Agreement in the order specified in the Trust Deed.

When acting in relation to the Security (whether before or after enforcement of the same) the Trustee shall have regard primarily to the interests of the Counterparty and, if indemnified to its satisfaction, shall act as instructed by the Counterparty. The Trustee shall have regard to the interests of the Noteholders and the Couponholders (if any) in relation to the Security only in so far as they do not conflict with the interests of the Counterparty. The Trustee shall not be responsible to any Noteholder or any Couponholder (if any) for acting on the instructions of, or not acting until instructed by, the Counterparty in relation to the Security, whether or not the interests of such Noteholder or Couponholder (if any) conflict with the interests of the Counterparty.

*(c) Application of proceeds*

The Trust Deed provides that if the Security has become enforceable for any reason, the net proceeds of the enforcement of the Security shall be applied (unless otherwise specified in the Supplemental Trust Deed) as follows:-

- (i) first, to the extent it is practicable to apportion the Trustee's expenses among the Series of Notes then outstanding, in payment of the Trustee's expenses, liabilities and remuneration and any other amounts due to the Trustee in respect of the Notes;
- (ii) second, in meeting claims (if any) of the Counterparty under the Swap Agreement;
- (iii) third, in paying amounts due to the Noteholders and the Couponholders (if any) in respect of the principal outstanding in respect of the Notes and any interest payable thereunder; and
- (iv) fourth, in payment of the balance (if any) to the Issuer.

*(d) Shortfall after application of proceeds*

If the net proceeds of the enforcement of the Security are not sufficient to make all payments due in respect of the Notes and the Coupons (if any) and for the Issuer to meet its obligations, if any, in respect of the termination of the Swap Agreement (or a part thereof), the net proceeds shall be applied in accordance with the provisions of the Trust Deed and the other assets of the Issuer shall not be available for payment of any shortfall arising therefrom. Claims in respect of any such shortfall remaining after realisation of the Security in accordance with this Condition and application of the proceeds in accordance with the Trust Deed shall be extinguished and failure to make any payment in respect of any such shortfall shall in no circumstances constitute an Event of Default under these Conditions.

The Trustee and the Counterparty have agreed that none of the Trustee, the Noteholders, the Couponholders (if any) and the Counterparty shall be entitled at any time to institute against the Issuer, or to join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes, the Coupons (if any), the Trust Deed or the Swap Agreement. The Principal

Paying Agent has agreed with the Issuer in terms substantially similar to the foregoing in the Agency Agreement.

#### 4. **Restrictions**

##### *(a) Further issues and Transactions*

The Issuer may issue from time to time (without the consent of the Noteholders or the Couponholders (if any), but provided that the Trustee is satisfied that the restrictions contained in this Condition will be complied with) further bonds and notes (which may be consolidated and form a single series with the Notes if issued in accordance with this Condition) and to enter into related transactions or to enter into Transactions (as defined in the Trust Deed). Such further bonds, notes, obligations and Transactions (other than those obligations that are not, in the opinion of the Trustee, material in the context thereof and in respect of which another party has made arrangements to discharge the Issuer from claims related thereto) and, save as provided in Condition 3(a), must be secured (save in the case of such further bonds or notes forming a single series with the Notes) on assets of the Issuer other than the assets on which any other obligations of the Issuer are secured and the Issuer's share capital and on terms in substantially the form contained in these Conditions, which provide for the extinction of all claims in respect of such bonds, notes and obligations after application of the proceeds of enforcement of the security over the assets on which such further bonds, notes and obligations are secured (or arrangements have been entered into that, to the satisfaction of the Trustee, have a like result).

##### *(b) Fungible issues*

The Issuer may issue from time to time (without the consent of the Noteholders or the Couponholders (if any), but provided that the Trustee is satisfied that the restrictions contained in this Condition will be complied with) further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest thereon) and that are consolidated and form a single series with the Notes; provided that (unless otherwise approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders), (i) the Issuer provides additional security for such new notes that, if the Mortgaged Property includes Securities, comprises securities that are fungible with, and have the same proportionate composition as, the Securities and that has an aggregate principal amount at least equal to the principal amount of the existing Securities multiplied by a fraction, the numerator of which is the aggregate principal amount of such new notes and the denominator of which is the aggregate principal amount of the existing Notes, and (ii) the Issuer enters into an additional or supplemental swap or option transaction varying the terms of the Swap Agreement to take account of the new notes on terms no less favourable than the Swap Agreement, the Swap Agreement so varied forming part of the Mortgaged Property. Upon issue of such further notes, the Notes and such further notes shall form a single series and be secured on the Mortgaged Property in respect of the Notes including such additional Securities (if any). Such further notes shall be constituted and secured by a further supplemental trust deed.

##### *(c) Indebtedness*

Save as provided above, so long as any of the Notes remains outstanding, the issuer shall not incur, without the prior written consent of the Trustee, any other indebtedness for borrowed moneys or engage in any other business (other than acquiring and holding the Securities, issuing further bonds or notes, as provided for in this Condition, entering into Transactions, entering into the Swap Agreement, the Custody Agreement and the Supplemental Trust Deed relating to such further bonds or notes, performing its obligations and enforcing its rights under the foregoing and performing any act incidental to or necessary in connection with the foregoing) and shall not have any subsidiaries

(except in connection with the substitution of the Issuer as principal obligor under the Notes).

## 5. **Interest**

### (a) *Interest Rate and accrual of interest*

Notes (other than Notes the Interest Rate of which is specified in the Supplemental Trust Deed to be Zero Coupon) shall bear interest on the outstanding principal amount thereof from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate. Interest is payable in arrear on each date specified in the Supplemental Trust Deed as an Interest Payment Date. Interest shall cease to accrue on each Note on the Interest Cessation Date (as defined below). Notwithstanding the foregoing, if upon due presentation, payment of principal is improperly withheld or refused, interest shall accrue on that part of the principal so withheld or refused (after as well as before judgment) at the Interest Rate in the manner provided in this Condition to the Relevant Date (as defined below).

### (b) *Business day conventions*

If any Interest Payment Date that is specified in the Supplemental Trust Deed to be subject to adjustment in accordance with the Following Business Day Convention, the Modified Following Business Day Convention or the Preceding Business Day Convention would otherwise fall on a day that is not a Relevant Business Day, then, if the Business Day Convention specified is (i) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day that is a Relevant Business Day (as defined below); (ii) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day that is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Relevant Business Day; or (iii) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Relevant Business Day.

If the Supplemental Trust Deed specifies that the FRN Business Day Convention is applicable, each Interest Payment Date shall be the day falling in the relevant Interest Payment Month (as defined below) that numerically corresponds to the preceding Interest Payment Date (or, if none, the Issue Date) provided that (i), if any Interest Payment Date so determined would fall on a day that is not a Relevant Business Day, it shall be postponed to the next day that is a Relevant Business Day unless it would thereby fall into the following calendar month in which event it shall be brought forward to the immediately preceding Relevant Business Day; and (ii), if any Interest Payment Date falls on the final Relevant Business Day in any Interest Payment Month then, notwithstanding the foregoing, each following Interest Payment Date shall be the last Relevant Business Day falling in the relevant Interest Payment Month. For the purposes hereof, "Interest Payment Month" means each of the months that are specified as such in the Supplemental Trust Deed.

### (c) *Interest Rate on Floating Rate Notes*

If the Supplemental Trust Deed specifies that the Notes are Floating Rate Notes, the Interest Rate in respect of each Interest Period shall be a rate per annum equal to the ISDA Rate or the LIBOR Rate (each as defined below), as specified in the Supplemental Trust Deed, for that Interest Period, plus or minus (as specified in the Supplemental Trust Deed) the number of basis or percentage points (if any) specified as the Margin in the Supplemental Trust Deed.

“ISDA Rate” means, in respect of any Interest Period, the rate per annum that, in the determination of the Agent Bank, would be the Floating Rate payable under an interest rate exchange agreement incorporating the ISDA Definitions (as defined below) where the Floating Rate Payer is the Issuer, the Calculation Agent is the Agent Bank, the Floating Rate Payer Currency Amount is the Denomination of the Notes (or lower or lowest Denomination if more than one), the Floating Rate Payer Payment Dates are the Interest Payment Dates, the Spread is nought and each of the Floating Rate Option, Designated Maturity and Reset Dates are as specified in the Supplemental Trust Deed. “ISDA Definitions” means the 1991 ISDA Definitions, published by the International Swaps and Derivatives Association, Inc., as amended, supplemented or restated from time to time up to the Issue Date.

“LIBOR Rate” means, in respect of any Interest Period: (i) the rate (the “Screen Rate”) which appears as of the Relevant Time (as defined below) on the Interest Determination Date (as defined below) on the Screen Page (as defined below) for deposits in the currency of the Notes for a period equal to the LIBOR Period (as defined below); or (ii) if on the Interest Determination Date the Screen Rate does not appear as aforesaid, the arithmetic mean (rounded, if necessary, to the nearest 0.00001 per cent., 0.000005 being rounded upwards) of the rates supplied to the Agent Bank by each of the Reference Banks (as defined below) as such Reference Bank’s offered quotation as of the Relevant Time on the Interest Determination Date for deposits in the currency of the Notes to prime banks in the London inter-bank market for a period equal to the LIBOR Period commencing on the first day of the Interest Period; or (iii) if on the Interest Determination Date the Screen Rate does not appear and fewer than two Reference Banks provide quotations as aforesaid, the arithmetic mean (rounded, if necessary, to the nearest 0.00001 per cent., 0.000005 being rounded upwards) of the rates quoted by major banks in the principal financial centre of the currency of the Notes selected by the Issuer as of 11.00 am., local time, on the first day of the Interest Period for loans in the currency of the Notes to leading European banks for a period equal to the LIBOR Period commencing on the first day of the Interest Period.

For the purposes of these Conditions: “Banking Day” means, in respect of any city, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city; “Interest Determination Date” means, in respect of each Interest Period, the second Banking Day in London prior to the first day of such Interest Period (or, in the case of Notes denominated in Pounds Sterling, the first day of such Interest Period); “LIBOR Period” means the Interest Period or such other period as may be specified in the Supplemental Trust Deed; “Reference Banks” means the principal London office of each of four major banks in the London inter-bank market selected by the Agent Bank; “Relevant Time” means 11.00 a.m., London time, or such other time as may be specified in the Supplemental Trust Deed; and “Screen Page” means page 3750 or 3740, as specified in the Supplemental Trust Deed, of the Dow Jones Telerate Service (or such other page as may replace that page on that service or on such other service as may be nominated by the British Bankers’ Association as the information vendor for the purpose of displaying British Bankers’ Association Interest Settlement Rates) (“Telerate”) or such other page of that service or any other service as may be specified in the Supplemental Trust Deed.

(d) *Minimum Interest Rate and Maximum Interest Rate*

If a Maximum Interest Rate is specified in the Supplemental Trust Deed, then the Interest Rate shall not exceed the maximum and if a Minimum Interest Rate is so specified, then the Interest Rate shall not be less than the minimum.

(e) *Calculations*



If not already specified on the relevant Coupon or elsewhere in these Conditions, the amount of interest payable in respect of any Note for any period (each, an "Interest Amount") shall be calculated by multiplying the product of the Interest Rate and the outstanding principal amount of such Note by the Day Count Fraction as defined below) and rounding, if necessary, the resultant figure to the nearest minimum unit of the relevant currency (half of such unit being rounded upwards).

(f) *Determination and publication of Interest Rate, Interest Amounts and Redemption Amount*

If the Notes are Floating Rate Notes, Variable Rate Notes or Notes having a Redemption Amount or an Optional Redemption Amount that may be an amount other than the principal amount of such Notes, the Issuer shall procure that the Agent Bank or the Calculation Agent, as the case may be, notifies the Trustee, the Principal Paying Agent and the Issuer of each Notifiable Determination (as defined below) as soon as practicable after such Notifiable Determination has fallen due to be made (and, in the case of the notification of an Interest Rate that is determinable on or before the first day of the Interest Period to which it relates, not later than the first day of such Interest Period). In addition, the Issuer shall procure that the Principal Paying Agent, upon receipt of a Notifiable Determination, causes such Notifiable Determination to be notified to each of the Paying Agents, the Noteholders (in accordance with these Conditions) and, if so required by the rules of any stock exchange on which the Notes are listed, such stock exchange. The determination of the Interest Rate, the Interest Amounts and the Redemption Amount or the Optional Redemption Amount, as the case may be, by the Agent Bank or the Calculation Agent, as the case may be, shall be final and binding upon all parties (in the absence of manifest error). For the purposes hereof, "Notifiable Determination" means a determination that is required to be made by the Agent Bank or the Calculation Agent, as the case may be, and notified to, inter alios, the Trustee, the Principal Paying Agent and the Issuer, including, in the case of Floating Rate Notes and Variable Rate Notes, the determination of an Interest Rate, in the case of Notes having a Redemption Amount or an Optional Redemption Amount that may be an amount other than the principal amount of such Notes, the determination of the Redemption Amount or the Optional Redemption Amount, as the case may be, and such other determination specified as such in the Supplemental Trust Deed.

(g) *Calculation Agent and Agent Bank*

For so long as a Notifiable Determination is required to be made in respect of the Notes, the Issuer shall procure that there is at all times an Agent Bank or a Calculation Agent appointed to make and to notify such Notifiable Determination. If the Agent Bank or the Calculation Agent, as the case may be, is unable or unwilling to act as such or fails in its duties to make or to notify a Notifiable Determination, the Issuer shall appoint the London office of a leading bank engaged in the London inter-bank market (or other relevant market) to act as such in its place.

(h) *Definitions*

As used in these Conditions:

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any Interest Period:

- (i) if Actual/366 is specified in the Supplemental Trust Deed the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in "that portion of the Interest Period falling in" a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (ii) if Actual/365 (Fixed) is specified in the Supplemental Trust Deed, the actual number of days in the Interest Period divided by 365;
- (iii) if Actual/360 is specified in the Supplemental Trust Deed, the actual number of days in the Interest Period divided by 360;
- (iv) if Bond Basis is specified in the Supplemental Trust Deed, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (v) if Eurobond Basis is specified in the Supplemental Trust Deed, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Maturity Date (as defined below) is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

“interest” shall be deemed to include all amounts payable pursuant to this Condition or any amendment or supplement thereto;

“Interest Cessation Date” means the due date for redemption of the Notes or such other date which is either specified in, or determined in accordance with the provisions of, the Supplemental Trust Deed;

“Interest Commencement Date” means the Issue Date or such other date as may be specified as the Interest Commencement Date in the Supplemental Trust Deed;

“Interest Period” means the period from, and including, the Interest Commencement Date to, but excluding, the first Interest Payment Date and each successive period from, and including, an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date;

“Interest Rate” means the rate of interest payable from time to time in respect of the Notes and which is either specified in, or calculated in accordance with the provisions of, the Supplemental Trust Deed;

“principal” shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to these Conditions or any amendment or supplement thereto;

“Relevant Business Day” means a day on which commercial banks and foreign exchange markets settle payments in each city specified as a Relevant Business Day Centre in the Supplemental Trust Deed; and

“Relevant Date” means, in respect of any Note or Coupon, the date on which payment in respect thereof first becomes due or, if any amount of the money payable is improperly withheld or refused, the earlier of (i) the date on which payment in full of the amount outstanding is made and (ii) the date on which notice is duly given to the Noteholders in accordance with these Conditions that, upon further presentation of the Note or Coupon

being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

(i) *Zero Coupon Notes*

As from the Maturity Date, the Interest Rate on any overdue principal of a Note the Interest Rate of which is specified in the Supplemental Trust Deed to be Zero Coupon shall be the rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the Supplemental Trust Deed.

(j) *Variable Rate Notes*

If the Supplemental Trust Deed specifies that the Notes are Variable Rate Notes, the Interest Rate in respect of the Notes shall be determined in the manner specified in the Supplemental Trust Deed.

6. **Redemption, Exchange and Purchase**

(a) *Final redemption*

The Issuer shall redeem each Note on the Maturity Date at the Redemption Amount specified in, or, in the case of Variable Redemption Amount Notes, determined in accordance with the provisions of, the Supplemental Trust Deed (and, if none is specified, at par), unless such Note has been previously redeemed, exchanged or purchased and cancelled in accordance with these Conditions.

(b) *Redemption for taxation and other reasons*

(i) If the Issuer, on the occasion of the next payment due in respect of the Notes or Coupons (if any), would be required by law to withhold or account for tax, or to withhold or account for tax at a rate in excess of the rate at which it then withholds or accounts for tax, so that it would be unable to make payment of the full amount due, then the Issuer shall so inform the Trustee and shall use its best endeavours to change the place of residence of the Issuer for taxation purposes to, or to arrange the substitution as principal debtor of a company incorporated in, another jurisdiction approved by the Trustee in accordance with the provisions of the Trust Deed. If the Issuer satisfies the Trustee that it is unable to arrange such change or substitution before the next payment is due in respect of the Notes it shall convene a meeting of the Noteholders at which it shall propose an Extraordinary Resolution amending the Conditions to provide for payment net of withholding tax or for payment net of withholding tax at a rate in excess of the then current rate of withholding, as the case may be. If such Extraordinary Resolution is not passed at such meeting or (if the first meeting lacks a quorum) at any adjournment thereof, the Issuer shall forthwith give not more than 28 nor less than 7 days' notice to the Trustee and the Noteholders, and upon expiry of such notice the Issuer shall redeem all but not some only of the Notes at their Redemption Amount together with interest (if any) accrued to the date fixed for redemption unless the Trustee certifies to the Issuer that, in its absolute discretion, it considers that it is in the best interests of the Noteholders that the Notes not be so redeemed or an Extraordinary Resolution of the Noteholders otherwise directs.

(ii) If (x) the Swap Agreement is terminated in whole for any reason save for a Counterparty Optional Termination (as defined in the Swap Agreement); or (y) the Issuer satisfies the Trustee that the performance of its obligations under the Notes or that any arrangements made to hedge its position under the Notes have or will become unlawful, illegal, or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment,

order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof; then the Issuer shall forthwith give not more than 28 nor less than 7 days' notice to the Noteholders and, upon expiry of such notice, shall redeem all but not some only of the Notes at their Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice (which shall be irrevocable) shall be given promptly upon the occurrence of either of the above events unless the Trustee certifies to the Issuer that, in its absolute discretion, it considers that it is in the best interests of the Noteholders that such notice be delayed or not given or an Extraordinary Resolution of the Noteholders otherwise directs.

(iii) If the Issuer satisfies the Trustee that:

- (x) the Issuer would suffer any form of income tax in respect of the Securities (other than by withholding at source which was applicable at the date of issue) or transactions related to the Notes in an amount greater than or at a rate higher than that suffered by it as at the Issue Date; or
- (y) the Issuer or the Trustee would be subject to (xx) a tax charge (whether by direct assessment or by withholding at source) or other imposition of tax by or on behalf of any authority in The Netherlands having power to tax or (yy) any other change in circumstance, including a change in any applicable law, regulation, regulatory requirement or double taxation treaty or the interpretation or application thereof (other than a change that allows the Counterparty to terminate the Swap Agreement); and
- (z) in either case, such event would materially increase the cost to the Issuer of complying with its obligations under the Notes or the Trust Deed or would materially increase the operating or administrative expenses of the Issuer or otherwise would oblige the Issuer or the Trustee to make any payment on, or calculated by reference to, the amount of any sum received or receivable by the Trustee on behalf of the Issuer pursuant to the Trust Deed;

then the Issuer shall use its best endeavours to change the place of residence of the Issuer for taxation purposes or to arrange the substitution as principal debtor of a company incorporated in another jurisdiction approved by the Trustee in accordance with the provisions of the Trust Deed. If the Issuer is unable to arrange such change or substitution within 30 days of so satisfying the Trustee, it shall give notice thereof and of a Noteholders' meeting to Noteholders in accordance with Condition 14. Within a period of 60 days from the date of such notice, Noteholders may by Extraordinary Resolution require the Issuer to redeem all, but not some only, of the Notes then outstanding at their Redemption Amount, together with interest accrued to the date fixed for redemption.

An Early Termination Date (as defined in the Swap Agreement) in respect of the Swap Agreement shall be deemed to have been designated on the date of notification by the Issuer to the Trustee and the Noteholders of its intention to redeem the Notes or the date of the Extraordinary Resolution requiring the Issuer to redeem the Notes, as the case may be. The date fixed for the redemption of the Notes shall be the date upon which any amount calculated as being due in respect of such early termination pursuant to the terms of the Swap Agreement is payable. The Issuer shall notify such date to the Trustee and the Noteholders as soon as it has knowledge thereof.

(c) *Mandatory redemption*

If the Mortgaged Property includes Securities and there is a payment default in respect of any of the Securities or any of the Securities becomes repayable prior to its stated maturity, such Securities shall be “Repayable Securities” for the purposes of these Conditions, unless the Trustee otherwise agrees or the Notes are Credit-linked Notes and such payment constitutes (or may, with the lapse of time or exercise of an option, constitute) a Credit Event. The Issuer shall forthwith give not more than 28 nor less than 7 days’ notice to the Noteholders (which notice shall be irrevocable) and upon expiry of such notice shall redeem each Note in whole at its Redemption Amount or, as the case may be, in part on a pro rata basis at a Redemption Amount calculated by multiplying the outstanding principal amount of each Note by a fraction the numerator of which is the principal amount of the Repayable Securities and the denominator of which is the principal amount of the Securities that have not, immediately prior to the date of the giving of the notice, been the subject of any such notice. Failure to make any payment due in respect of a mandatory redemption under this paragraph part of the principal amount of the Notes or interest thereon or any termination payment under the Swap Agreement shall not constitute an Event of Default under these Conditions.

(d) *Redemption at the option of the Issuer*

If the Supplemental Trust Deed specifies that the Notes are Callable Notes, the Issuer may redeem all or some only of the Notes, as specified in the Supplemental Trust Deed, upon giving notice to Noteholders (which notice shall be irrevocable) within the period (the “Option Notice Period”) specified in the Supplemental Trust Deed. In such circumstances, the Issuer shall redeem all or some only of the Notes, as the case may be, on the date (the “Optional Redemption Date”) and at the amount (the “Optional Redemption Amount”) relating to such Notes, as specified in the Supplemental Trust Deed, together with interest accrued to the due date for redemption (if any). In the case of redemption of some only of the Notes, the Issuer shall select the Notes to be redeemed by lot and shall notify the Noteholders thereof, the dates for selection and notification, respectively, being as specified in the Supplemental Trust Deed.

(e) *Redemption at the option of Noteholders*

If the Supplemental Trust Deed specifies that the Notes are Puttable Notes, the holder of a Note may require the Issuer to redeem such Note upon presenting and surrendering such Note to the Principal Paying Agent together with a notification in writing (an “Exercise Notice”) of exercise of the option containing a certificate of non-U.S. beneficial ownership (in or substantially in the form set out in the Supplemental Trust Deed, copies of which are available at the specified office of each of the Paying Agents) on any Banking Day in London during the Option Notice Period specified in the Supplemental Trust Deed. In such circumstances, the Issuer shall redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount relating to such Note, as specified in the Supplemental Trust Deed, together with interest accrued to the due date for redemption (if any). The Issuer shall procure that upon presentation and surrender of a Note pursuant to this paragraph the Principal Paying Agent shall issue to the holder thereof a receipt in respect of such Note. (The holder of a Note may present and surrender such Note (together with an Exercise Notice) to the Paying Agent in Ireland. In these circumstances, the Noteholder shall be deemed to have exercised his option on the Banking Day in London next following the date on which such presentation and surrender occurred.)

*Accountholders at Euroclear and Clearstream, Luxembourg wishing to exercise a put option should refer to paragraph 3 of “Summary of provisions relating to the Notes in Bearer Form while represented by a Global Note” on page 28.*

(f) *Exchange of Notes*

If the Supplemental Trust Deed specifies that the Notes are Exchangeable Notes, upon the occurrence of an event (the “Exchange Event”), as specified in the Supplemental Trust Deed, the Issuer shall deliver, or cause to be delivered, to the Clearance System (as defined below) for credit to the respective accounts of entitled Noteholders on the Settlement Date (as defined below) the Securities Entitlement (as defined below) relating to the Notes presented and surrendered in accordance with this Condition in lieu of redeeming the Notes. Notes presented and surrendered by a Noteholder shall be aggregated for the purpose of determining the aggregate Securities Entitlement of that Noteholder. If the aggregate Securities Entitlement of a Noteholder does not comprise a nominal amount of Securities equal to an integral multiple of the minimum denomination of the Securities, the Issuer may not deliver Securities in a nominal amount equal to a fraction of the minimum denomination of the Securities but shall account to each affected Noteholder for the net cash value (if any) of any such fraction, as determined by the Calculation Agent.

(g) *Presentation and surrender of Notes*

The Issuer shall not deliver, or cause to be delivered, the Securities Entitlement in respect of any Exchangeable Notes unless such Note has been presented and surrendered together with a notification in writing (a “Delivery Notice”) containing a certificate of non-U.S. beneficial ownership and specifying an account in the Clearance System for delivery of Securities (in or substantially in the form set out in the Supplemental Trust Deed, copies of which are available at the specified office of each of the Paying Agents) to the Principal Paying Agent on any Banking Day in London during the period (the “Notice Delivery Period”) specified in the Supplemental Trust Deed. (The holder of a Note may present and surrender such Note (together with a Delivery Notice) to the Paying Agent in Ireland. In these circumstances, the Noteholder shall be deemed to have presented and surrendered such Note (together with the Delivery Notice) on the Banking Day in London next following the date on which such presentation and surrender occurred). The Issuer shall procure that upon presentation and surrender of a Note pursuant to this paragraph the Paying Agent shall issue to the holder thereof a receipt in respect of such Note. The Notes cease to be outstanding on the first day on or after the Settlement Date upon which the Issuer makes the aggregate Securities Entitlement available for delivery in accordance with these Conditions.

*Accountholders at Euroclear and Clearstream, Luxembourg wishing to deliver a Delivery Notice should refer to paragraph 3 of “Summary of provisions relating to the Notes in Bearer Form while represented by a Global Note” on page 28.*

(h) *Settlement Disruption Events*

If there is a Settlement Disruption Event (as defined below) that prevents settlement on the Settlement Date (as defined below), then settlement shall be on the first succeeding day on which settlement can take place through the Clearance System, unless a Settlement Disruption Event prevents settlement on each day that the Clearance System is (or, but for the Settlement Disruption Event, would have been open for business during the period ending 30 calendar days after the original date on which, but for the Settlement Disruption Event, settlement would have occurred). If settlement does not occur during such 30 calendar day period, the issuer shall use best efforts to deliver the Securities comprising the aggregate Securities Entitlement promptly thereafter to a nominee selected by the Trustee.

(i) *Early Redemption of Zero Coupon Notes*

- (i) Upon the early redemption of any Note, the Interest Rate of which is specified in the Supplemental Trust Deed to be Zero Coupon, the Redemption Amount payable in respect of such Note shall be the Amortised Face Amount (calculated as provided below) of such Note.
- (ii) Unless otherwise specified in the Supplemental Trust Deed the Amortised Face Amount of any such Note shall be the nominal amount of such Note discounted on an annual 30/360 Day Count Fraction basis at the Amortisation Yield specified in the Supplemental Trust Deed from (and including) the Maturity Date to (but excluding) the due date for such redemption.

(j) *Credit-linked Notes*

If the Supplemental Trust Deed specifies that the Notes are Credit-linked Notes, upon the occurrence of an event (the "Credit Event"), as specified in the Supplemental Trust Deed, the obligations of the Issuer to make further scheduled payments of principal and interest in respect of the Notes shall be extinguished and the entitlement of Noteholders in these circumstances shall be as specified in the Supplemental Trust Deed.

(k) *Purchase*

The Issuer may not purchase Notes otherwise than in connection with a Counterparty Optional Termination as provided in the Swap Agreement. The Issuer shall surrender to the Principal Paying Agent for cancellation any Notes that are purchased by it (together with all unmatured coupons relating thereto, if any).

(l) *Cancellation*

Notes that are redeemed shall be cancelled forthwith. Notes so redeemed, or purchased and cancelled (together with all unmatured Coupons relating thereto, if any) pursuant to paragraph (k) of this Condition, may not be reissued or sold.

(m) *Definitions*

As used in these Conditions:

"Clearance System" means each of Clearstream Banking, société anonyme ("Clearstream, Luxembourg") and Euroclear Bank S.A./N.V., as operator of the Euroclear System or, in either case, any successor thereto, or such other clearance system specified as the Clearance System for delivery of Securities in the Supplemental Trust Deed;

"Securities Entitlement" means, in respect of each Exchangeable Note, the nominal amount of Securities specified in the Supplemental Trust Deed to which a holder of such Note may be entitled upon the occurrence of an Exchange Event;

"Settlement Date" means the date specified in, or determined in accordance with the provisions of, the Supplemental Trust Deed or, if such date is not a day on which the Clearance System is open for business, the next following day that is; and

"Settlement Disruption Event" means an event beyond the control of the Issuer and the relevant noteholder as a result of which the Clearance System cannot clear transfers of the Securities comprising the Securities Entitlement of such Noteholder.

## 7. **Payments**

### (a) *Payments on Notes*

Payments of principal and interest (if any) in respect of Notes shall be made against surrender or, in the case of a partial redemption, presentation for endorsement of the Notes or, as the case may be, the Coupons (if any) at the specified office of any Paying Agent by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency (or, in the case of euro, an account to which euro may be transferred) with a bank in the principal financial centre of that currency (or in the case of euro) in the Eurozone, subject in all cases to any fiscal or other laws and regulations applicable thereto. In particular (i) in the case of Yen, the transfer shall be to a non-resident Yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan) and (ii) in the case of payments of interest, transfer is made to an account outside the United States.

A Note or Coupon may be presented for payment only on a day that is a Payment Business Day in the place of presentation (and, in the case of payment by transfer (other than of euro), in the Payment Financial Centre). However, a Note or Coupon may not be presented for payment anywhere before the first day that falls on or after the due date that is a Payment Business Day in London and each Relevant Business Day Centre (covered below). The holder of a Note or Coupon shall not be entitled to any further payment of any nature as a consequence of the fact that the due date for payment of any amount in respect of such Note or Coupon is not a Payment Business Day in the Payment Financial Centre or any particular place of payment or, in the case of payments in euro, is not a TARGET Business Day. For the purposes hereof, "Payment Business Day" means, in respect of any city, a day on which commercial banks and foreign exchange markets settle payments in that city in the relevant currency and, in the case of a payment in euro, a day which is a TARGET Business Day; "Payment Financial Centre" means the principal financial centre of the currency in which payment is to be made; "TARGET Business Day" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System ("TARGET System") is operating; and "Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the treaty establishing the European Community.

### (b) *Unmatured Coupons*

Unless otherwise provided in the Supplemental Trust Deed in the case of Floating Rate Notes, Variable Rate Notes, Callable Notes, Puttable Notes and Exchangeable Notes, upon the due date for redemption or exchange of any Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect thereof. Where any Note is presented for redemption without all unmaturing Coupons relating thereto, redemption shall be made only against the provision of such indemnity as the Issuer may require.

In all other cases, each Note should be presented for redemption together with all unmaturing Coupons relating to it, failing which the amount of any such missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which that part of the Redemption Amount or Optional Redemption Amount, as the case may be, so paid bears to the Redemption Amount or Optional Redemption Amount, as the case may be, due) shall be deducted from the sum due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect



having been given to the Noteholders for the relevant payment of Redemption Amount or Optional Redemption Amount, as the case may be.

(c) *Appointment of agents*

The specified offices of the Principal Paying Agent and the other Paying Agents are listed below. The Issuer reserves the right, with the approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and the Issuer reserves the right, with the approval of the Principal Paying Agent and the Trustee, to appoint further paying agents or to vary or terminate the appointment of any Paying Agent and to approve any change in the specified office of any Paying Agent. provided that there shall at all times be a Principal Paying Agent in a major European city and, if and for so long as the Notes are listed on the Irish Stock Exchange, a Paying Agent in Ireland. Any variation, termination, appointment, removal or resignation shall take effect (other than in the case of insolvency, when it shall be of immediate effect) only after not more than 45 and less than 30 days' notice thereof shall have been given to the Noteholders in accordance with these Conditions.

8. **Events of Default**

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (provided that the Trustee shall have been indemnified to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly become, due and repayable at their Redemption Amount together with accrued interest (if any) and thereupon an Early Termination Date in respect of the Swap Agreement shall be deemed to have been designated on such date of notification to the Issuer, in any of the following events ("Events of Default"):

- (a) the Issuer defaults in the payment of the Redemption Amount or the Optional Redemption Amount, as the case may be, or defaults for a period of 14 days or more in the payment of any sum other than the Redemption Amount or the Optional Redemption Amount, as the case may be, due in respect of the Notes or any of them; or
- (b) the Issuer defaults in making the Securities Entitlement due in respect of the Notes or any of them available for delivery for a period of 7 days or more; or
- (c) the Issuer fails to perform or observe any of its other obligations under the Notes or the Trust Deed and such failure is in the opinion of the Trustee incapable of remedy or if such failure is in the opinion of the Trustee capable of remedy and is not in the opinion of the Trustee remedied within a period of 30 days (or such longer period as the Trustee may permit) immediately following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (d) an order shall be made by any competent court or any resolution passed for the winding up or dissolution of the Issuer or for the appointment of a liquidator or receiver of the issuer of all, or substantially all of its assets, save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee; or
- (e) the Issuer grants an assignment for the benefit of, or enters into any general assignment ("*akkoord*"), with its creditors; or
- (f) the Issuer files a petition for a suspension of payments ("*surseance van betaling*") or for bankruptcy ("*faillissement*") or is declared bankrupt or is in a situation requiring special measures ("*bijzondere voorzieningen*") in the interests of all

creditors as referred to in Chapter X of the Act on the Supervision of Credit Institutions 1992 as amended from time to time (*Wet Toezicht Kredietwezen 1992*).

## **9. Enforcement and Extinguishing of Liabilities**

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders and the Couponholders (if any) and no such holder is entitled to proceed against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period. After the Trustee has realised the Security, or part thereof, as the case may be, and distributed the net proceeds in accordance with these Conditions, none of the Trustee, the Noteholders or the Couponholders (if any) may take any further steps against the Issuer to recover any sum due in respect of the Notes and the Coupons (if any) but still unpaid and any liability of the Issuer in respect thereof shall be extinguished.

## **10. Taxation**

All payments in respect of the Notes and the Coupons (if any) shall be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature imposed or levied by or on behalf of any authority in The Netherlands (or, in the case of the substitution of the Issuer as principal debtor by a company incorporated in another jurisdiction or a change in the tax residence of the Issuer approved by the Trustee in accordance with the provisions of the Trust Deed, in such other jurisdiction) having power to tax, unless the Issuer or any Paying Agent is required by applicable law to make any such payment in respect of the Notes subject to any such withholding or deduction. In that event, the Issuer or such Paying Agent (as the case may be) shall, subject to Condition 6(b), make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor any Paying Agent will be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

## **11. Prescription**

Notes and Coupons (if any) shall become void unless presented for payment within periods of ten years and five years respectively from the due date for payment in respect thereof.

## **12. Agents**

In acting under the Agency Agreement, the Agent Bank, the Calculation Agent, the Authentication Agent, the Principal Paying Agent and the Paying Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust to or with the Noteholders or the Couponholders (if any), unless an Event of Default occurs or may with the lapse of time occur, when the Agents shall, if so requested by the Trustee, act as agents of the Trustee. The Issuer has agreed in the Trust Deed to perform and observe the obligations imposed upon it under the Agency Agreement. The Agency Agreement may be amended by the parties thereto with the approval of the Trustee if, in the opinion of the Trustee, the amendment will not materially and adversely affect the interests of the Noteholders.

## **13. Replacement of Notes and Coupons**

If a Note or Coupon is mutilated, defaced, stolen, destroyed or lost, it may be replaced at the specified office of the Paying Agent in Ireland on payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to

evidence, indemnity and security as the Issuer may require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

#### 14. **Notices**

All notices to Noteholders shall be published in a leading newspaper of general circulation in a daily newspaper in the English language with general circulation in Europe and, if and for so long as the Notes are listed on any relevant stock exchange and the rules of such stock exchange or competent authority so require, in any such other newspaper which is so required by the rules of that stock exchange or competent authority). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders (if any) shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

#### 15. **General**

##### *(a) Meetings of Noteholders; modification and waiver*

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of the terms and conditions of the Notes or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution shall be one or more persons, holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on or to vary the method of calculating the rate of interest or to reduce the minimum or maximum rate of interest on the Notes or to vary the method of calculating any amount payable on redemption of the Notes; (iii) to change the currency of payment for the Notes; (iv) to modify the Events of Default or the provisions concerning security for the Notes; (v) to modify the provisions relating to the Mortgaged Property; or (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be one or more persons holding or representing not less than two-thirds or, at any adjourned such meeting, not less than one-third in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of Noteholders shall be binding on all Noteholders, whether or not they were present at such meeting, and on the Couponholders (if any).

The Trustee may, without the consent of the Noteholders or Couponholders (if any), if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, determine that an event that would otherwise be an Event of Default shall not be treated as such. The Trustee may agree, without the consent of the Noteholders or Couponholders (if any), to (i) any modification of the Trust Deed of a formal, minor or technical nature or to correct a manifest error, and (ii) any modification (except as aforesaid), waiver or authorisation (on such terms as seem expedient to it) of any breach or proposed breach of any of the provisions of the Trust Deed that, in any such case, is not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders. Any such determination, modification, authorisation or waiver shall be binding on the Noteholders and Couponholders (if any) and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter.

The Trust Deed provides that (a) meetings of Noteholders of each separate Series normally will be held separately (although the Trustee may from time to time determine

that meetings of Noteholders of separate Series may be held together); (b) a resolution that in the opinion of the Trustee affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the Noteholders of the Series concerned; (c) a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series but does not give or may not give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed if passed at a single meeting of the Noteholders of the relevant Series, provided that for the purposes of determining the votes that a Noteholder is entitled to cast, each Noteholder shall have one vote in respect of each U.S.\$1,000 principal amount of Notes held, converted, if such Notes are not denominated in U.S. dollars, at prevailing exchange rates; and (d) a resolution that in the opinion of the Trustee affects the Noteholders of more than one Series and gives or may give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed only if it is duly passed at separate meetings of the Noteholders of the relevant Series. As used herein, "Series" means a series of notes or other securities issued by the Issuer constituted by a trust deed supplemental to the Principal Trust Deed.

*(b) Action in relation to the Mortgaged Property*

Until the Security becomes enforceable, if permitted by the Supplemental Trust Deed or otherwise with the sanction of an Extraordinary Resolution, the approval of the Trustee or the consent of the Counterparty, the Issuer (a) may take such action in relation to Mortgaged Property as it may think expedient and (b) exercise the rights incidental to the ownership of the Mortgaged Property and, in particular (but without limitation and without responsibility for their exercise) any voting rights in respect of such property and all rights to enforce it.

*(c) Substitution*

Subject to such amendment of the Trust Deed and such other conditions as the Trustee may require including the transfer of the Security, but without the consent of the Noteholders or Couponholders (if any), the Trustee may agree to a change in the place of residence of the Issuer for taxation purposes or to the substitution of any other company (incorporated in any jurisdiction) in place of the Issuer as principal debtor under the Trust Deed, the Notes and the Coupons (if any). In the case of such a change or substitution the Trustee may agree, without the consent of the Noteholders or Couponholders (if any), to a change of the law governing the Notes, the Coupons (if any) and the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

*(d) Noteholders' interests*

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) to the extent that the Trustee is required to have regard to the interests of the Noteholders it shall have regard to the interests of the Noteholders as a class. In particular, the Trustee shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders (if any) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder (if any) be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any exercise upon individual Noteholders or Couponholders (if any).

## **16. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified to its satisfaction. The Trustee and any affiliate is entitled to acquire, hold or dispose of any Note, Coupon or other security (or any interest therein) of the Issuer or any other person and, inter alia, may enter into or be interested in any contract or transaction with any such person with the same rights as it would have if it were not acting as Trustee and need not account for any profit resulting from. The Trustee is exempted from any liability with respect to any loss or theft or reduction in value of the Securities (if any), from any obligation to insure or to monitor insurance arrangements for the Securities (if in physical form) and from any claim arising from the fact that the Securities (if in physical form) will be held in safe custody by the Custodian or other custodian selected by the Trustee. The Trustee shall have no responsibility for the validity, value, sufficiency or enforceability of the Security, nor is it under any duty to monitor the performance by the Custodian of its obligations under the Custody Agreement (if any).

## **17. Contracts (Rights of Third Parties) Act 1999**

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

## **18. Governing Law**

The Notes, the Coupons (if any), the Swap Agreement, the Trust Deed and the Agency Agreement are governed by and shall be construed in accordance with the laws of England. The Issuer has submitted to the jurisdiction of the English courts for all purposes in connection with the Notes and the Trust Deed and in relation thereto, the Issuer has appointed Hackwood Secretaries Limited as its agent for receipt of process and has agreed that in the event that such process agent is no longer able to act as such or no longer has an address in England, it will appoint a substitute process agent acceptable to the Trustee.

## BOATS INVESTMENTS (NETHERLANDS) B.V.

### General

The Issuer was incorporated as a private company with limited liability under the Dutch Civil Code on 3rd February, 1998 in Amsterdam under number B.V. 33299834. The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The Registered Office of the Issuer is at Prins Bernhardplein 200, 1097 JB Amsterdam, The Netherlands. The telephone number of the Issuer is 00 31 20 521 4777. The authorised share capital of the Issuer is EUR 90,756.04 divided into 2,000 ordinary shares of EUR 45.38 each. 40 shares have been issued and fully paid and are held and owned by Stichting BOATS Investments (Netherlands).

There are no measures in place to ensure that Stichting BOATS Investments (Netherlands) does not abuse its control of the Issuer.

Stichting BOATS Investments (Netherlands) is a foundation incorporated under the laws of the Netherlands on 3rd February, 1998 (the “**Foundation**”). The objects of the Foundation are, inter alia, to acquire and to hold shares in the share capital of the Issuer. The sole Director of the Foundation is Fortis Intertrust (Netherlands) B.V. (formerly known as MeesPierson Intertrust B.V.).

The principal objects of the Issuer are set out in Article 2 of its Articles of Association and permit, among other things, the issuance of Notes and generally enabling it to carry out the business of the Issuer as described in this Issue Memorandum.

### Business

Other than as described under “Base Terms and Conditions of the Notes – Restrictions” at page 70 herein, the Issuer will not undertake any business and will not have any subsidiaries. The Issuer may issue any Series of Notes and enter into related transactions and other non-recourse transactions if the Trustee consents to such issues in accordance with the Conditions.

The Issuer has and will have no assets other than the Securities and any other assets comprising the Mortgaged Property (as defined in the Trust Deed), any other assets on which any Transaction (as defined in the Trust Deed) is secured, assets comprising Available Assets (as defined in the Trust Deed), the sum of EUR 18,151.21 representing the share capital, the balance of the net proceeds of the issue of Notes after the purchase of the Securities and any other assets comprising the Mortgaged Property and the fees received by the Issuer from the Arranger or any other Dealer in respect of the issue of each Series and each Transaction.

### Directors

The sole Director and the administrator of the Issuer is Fortis Intertrust (Netherlands) B.V. (formerly known as MeesPierson Intertrust B.V.) (the “**Administrator**”) and its address is the same as the Registered Office of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the administrator may be terminated in certain circumstances upon 90 days’ notice by the Issuer, the Foundation or the Administrator. If this occurs, it will be necessary for an alternative administrator to be appointed in the place of the Administrator. The Administrator performs no other activities outside the Issuer which are significant with respect to the Issuer.

### Financial Statements

The Issuer has produced audited financial statement for the periods ending 31 December 2006 and 31 December 2007, which are incorporated by reference into this Issue Memorandum. There financial statement are audited by KPMG Accountants N.V., who are a member of the Royal Dutch Institute of Chartered Accountants (*Koninklijk Netherlands Instituut voor*

*Registeraccountants*). The address of KPMG Accountants N.V. is Rijnzathe 14, 3454 PV De Meern Postbus 43004, 3540 AA Utrecht, The Netherlands.

## GENERAL INFORMATION

1. The issue of the Notes was authorised pursuant to a resolution passed by the Board of Directors of the Issuer on 28 December 2006.
2. There has been no material adverse change in the financial position of the Issuer since 31 December 2007, being the date of its last audited financial statements.
3. There are no governmental, legal, litigation or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during 12 months before the date of this Prospectus, which may have or have had in respect of part significant effects on the Issuer's financial position or profitability.
4. Copies of the Trust Deed, the ISDA Master Agreement, this Prospectus, the Articles of Association and the audited financial statements of the Issuer for the financial years ended 31 December 2006 and 31 December 2007 will be made available for collection during usual business hours on any day (except Saturdays, Sundays and legal holidays) so long as any of the Notes remain outstanding, at the specified office of the Principal Paying Agent and the Paying Agent in Ireland.
5. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under Common Code 028117752. The International Securities Identification Number for the Notes is XS0281177526.
6. Save as discussed herein on page 10 under the sub-heading "Business relationships", no person involved in the issue of the Notes has an interest material to the issue.
7. The Arranger has agreed to take responsibility for the expenses relating to the admission to trading and therefore the cost to the Issuer is nil.
8. The Issuer does not intend to provide any post issuance information, except if required by applicable laws or regulations.
9. Application has been made to The Netherlands Authority for the Financial Markets as competent authority under Article 2(m)(i) of Directive 2003/71/EC for this issue memorandum to be approved. Application will be made to the Irish Stock Exchange for the Notes to be admitted to the official list and trading on its regulated market. No assurance can be given as to when any such listing will be granted, if at all.
10. There is no direct or indirect ownership or control between the parties to the issue of the Notes as far as the Issuer is aware.
11. The Issuer confirms that the Portfolio has the characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes.



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