

DATED: 6 NOVEMBER 2007

EIRLES TWO LIMITED

(incorporated with limited liability in Ireland)

(the "Issuer")

PROSPECTUS

**Series 263 USD 17,500,000 Portfolio Credit Linked
Floating Rate Secured Notes due 2021**

(the "Notes")

DEUTSCHE BANK AG, LONDON BRANCH
as Arranger

The attention of investors is drawn to the section headed "Investment Considerations and Risk Factors" on page 3 of this Prospectus

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The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. Consequently, the Notes may not be offered, sold, resold or transferred within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, the Issuer has not been and will not be registered as an "investment company" under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Accordingly, the Notes may be sold in the United States or to U.S. Persons only to persons that are also "Eligible Investors" as defined in "*Selling Restrictions*" below. For a description of certain restrictions on offers and sales of Notes in the United States, see "*Selling Restrictions*" below.

INVESTMENT CONSIDERATIONS AND RISK FACTORS

Purchasers of Notes should conduct such independent investigation and analysis regarding the Issuer, the Reference Entities, the Reference Obligations and the obligors in respect thereof, the Notes, the Swap Counterparty (each of the terms as defined herein) and all other relevant persons and market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Notes. The Issuer and the Arranger disclaim any responsibility to advise purchasers of Notes of the risks and investment considerations associated with the purchase of the Notes as they may exist at the date hereof or from time to time thereafter. However, as part of such independent investigation and analysis, prospective purchasers of Notes should consider all the information set forth in the Base Prospectus and this Prospectus, including the considerations set forth below.

- (A) All payments to be made by the Issuer in respect of the Notes and the Swap Agreements will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Mortgaged Property (as defined in Condition 4.2) in respect of the Notes.
- (B) To the extent that such sums are less than the amount which the holders of the Notes and the Swap Counterparty may have expected to receive if paragraph (A) above did not apply (the difference being referred to herein as a "**shortfall**"), such shortfall will be borne by such holders and by the Swap Counterparty in accordance with the Terms and Conditions of the Notes and the order of priorities specified in this Prospectus.
- (C) Each holder of Notes, by subscribing for or purchasing Notes, will be deemed to accept and acknowledge that it is fully aware that:
 - (i) the holders of the Notes and the Swap Counterparty shall look solely to the sums referred to in paragraph (A), as applied in accordance with paragraph (B) above (the "**Relevant Sums**") for payments to be made by the Issuer in respect of the Notes and the Swap Agreements;
 - (ii) the obligations of the Issuer to make payments in respect of the Notes and the Swap Agreements will be limited to the Relevant Sums and the holders of the Notes and the Swap Counterparty shall have no further recourse to the Issuer in respect of the Notes;
 - (iii) without prejudice to the foregoing, any right of the holders of the Notes and the Swap Counterparty to claim payment of any amount exceeding the Relevant Sums shall be automatically extinguished; and
 - (iv) the holders of the Notes shall not be able to petition for the winding up of the Issuer as a consequence of any such shortfall.

Investment in the Notes is only suitable for investors who:

- (1) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in the Base Prospectus and this Prospectus and the merits and risks of an investment in the Issuer in the context of such investors' financial position and circumstances;
- (2) are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time;
- (3) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control);
- (4) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all; and

- (5) are banks, investment banks, pension funds, insurance companies, securities firms, investment institutions, central governments, large international or supranational organisations or other entities, including *inter alia* treasuries and finance companies of large enterprises which are active on a regular and professional basis in the financial markets for their own account.

Further, 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.

Neither the Issuer, the Arranger, the Swap Counterparty nor any other person has or will make any representation or statement as to the suitability of the Notes for investors. Investors should obtain all required independent professional advice before purchasing the Notes.

Credit Risk

The ability of the Issuer to meet its obligations under the Notes will be dependent on the performance by the Swap Counterparty of all its payment and other obligations under the Default Swap and the Asset Swap, upon the Agent and the Paying Agent and the Registrar and Transfer Agent making the relevant payments when received and upon all other parties to the transaction performing their respective obligations. Accordingly Noteholders are exposed, among other things, to the credit risk of the Swap Counterparty, the Agent, the Paying Agent, the Reference Entities and the Reference Obligations.

Credit Ratings

With regard to the credit ratings assigned to each relevant entity and asset, investors should note that any credit rating represents the relevant rating agencies' opinions regarding the credit quality of the relevant entity or asset but is not a guarantee of quality. Rating agencies attempt to evaluate the safety of payments and do not evaluate the risks of fluctuations in market value. Rating agencies may also fail to make timely changes in credit ratings in response to events so that the true financial condition of an entity or asset may be worse than a rating indicates. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Exposure to Reference Entities and Reference Obligations set out in the Reference Portfolio (as updated from time to time)

Under the Default Swap, the Issuer is obliged to pay to the Swap Counterparty from time to time Cash Settlement Amounts reflecting Loss Determination Amounts for Credit Events and Event Determination Dates arising in respect of the Reference Obligations comprising the Reference Portfolio. The Issuer will fund payments of Cash Settlement Amounts by receiving payment from the Swap Counterparty pursuant to the Asset Swap, such payment to be made out of the Deposit Account. Such payments will result in a *pro rata* termination of the Asset Swap and a decrease in the Outstanding Principal Amount of the Notes. As a result, amounts of principal and interest payable under the Notes will be reduced. Accordingly, and subject as set forth above, investors in the Notes will be exposed to the credit risk of each Reference Entity and each Reference Obligation.

A Note does not represent a claim against any Reference Entity and, in the event of any loss, a Noteholder will not have recourse under a Note to any Reference Entity. However, investors in the Notes will be exposed to the credit risk of the Reference Entities and the Reference Obligations. Neither the Issuer, the Arranger, the Trustee nor any of them or other person on their behalf makes any representation or warranty, express or implied, as to the credit quality of any Reference Entity or the Reference Obligations. Each of such persons may have acquired, or during the term of the

Notes may acquire, confidential information with respect to the Reference Entities or the Reference Obligations. None of such persons is under any obligation to make such information available to Noteholders.

The Notes represent a leveraged investment in the Reference Portfolio. As a result, it is anticipated that changes in the market value of the Reference Portfolio will result in greater corresponding changes in the market value of the Notes than if this was not a leveraged investment.

Reinvestment Provisions

There can be no assurance that the Issuer will be able to remain fully invested in the Default Swap or that Reference Obligations will be able to be substituted in accordance with the terms of the Default Swap.

If the Reference Portfolio is not fully ramped-up, on any Business Day during the Ramp-up Period, the Swap Counterparty may deliver a Base Portfolio Notice, which shall have the effect of reducing the Portfolio Notional Amount under the Default Swap and will result in a mandatory partial redemption of the Notes.

No Legal or Beneficial Interest in the Reference Obligations

A Note does not represent a claim in respect of any of the Reference Obligations or against any Reference Entity and, in the event of any loss, a Noteholder will not have recourse under a Note in respect of any Reference Obligations or to any Reference Entity. However, investors in the Notes will be exposed to the credit risk of the Reference Entities and the Reference Obligations. Neither the Issuer, the Arranger, the Trustee nor any of them or other person on their behalf makes any representation or warranty, express or implied, as to the credit quality of any Reference Entity or the Reference Obligations. Each of such persons may have acquired, or during the term of the Notes may acquire, confidential information with respect to the Reference Entities or the Reference Obligations. None of such persons is under any obligation to make such information available to Noteholders.

Entering into the Default Swap presents risks in addition to those that would result from direct purchases of the Reference Obligations. The Issuer will have a contractual relationship only with the Swap Counterparty and not with any Reference Entity. Under the Default Swap none of the Issuer, the Trustee, the Noteholders or any other entity will have any rights to acquire from the Swap Counterparty (or to require the Swap Counterparty to transfer, assign or otherwise dispose of) any interest in any specific Reference Obligation. Consequently, the Default Swap does not constitute a purchase or other acquisition or assignment of any interest in any Reference Obligation.

The Issuer will therefore have rights solely against the Swap Counterparty in accordance with the Default Swap and will have no recourse to any Reference Obligations or Reference Entities. None of the Issuer, the Trustee or the Noteholders will have any rights directly to enforce compliance by the Reference Entity in respect of the relevant Reference Obligation, will not have any rights of set-off against such Reference Entity, will not have any voting rights with respect to the relevant Reference Obligation, will not directly benefit from any collateral supporting the relevant Reference Obligation and will not have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. The Swap Counterparty will not, at any time, grant to the Issuer any security interests over any Reference Obligation. In addition, in the event of the insolvency of the Swap Counterparty, the Issuer will be treated as a general creditor of the Swap Counterparty and will not have any claim with respect to any Reference Obligation.

Trading Payments

If an addition or removal of, or an increase or decrease to the notional amount in respect of, a Reference Obligation results in a Trading Payment, such Trading Payment shall be applied in reducing the Outstanding Principal Amount of the Notes and will therefore reduce the amounts payable to Noteholders in respect of interest and principal on the Notes.

Selection of Reference Obligations

The Swap Counterparty will use its normal credit procedures and compliance measures with respect to selection of the Reference Portfolio. The risk profile of the Reference Portfolio may alter over time.

As set out herein, the Noteholders will be exposed to, *inter alia*, the credit risk of the Reference Obligations in the Reference Portfolio. The Reference Obligations that comprise the Reference Portfolio may be altered by the Swap Counterparty within the parameters set out in the Default Swap. Holders of the Notes should be aware that decisions as to any additions, removals, increases and/or decreases of Reference Obligations will be taken by the Swap Counterparty in its discretion and bearing in mind only the Swap Counterparty's own interests. Accordingly, unless the Swap Counterparty retains credit exposure to the Reference Portfolio, the interests of the Swap Counterparty in such addition, removal, increase or decrease may be contrary to those of the Noteholders. The Swap Counterparty is not obliged to consider the interests of the Trustee or the Noteholders in exercising its discretion in respect of any addition, removal, increase and/or decrease with respect to a Reference Obligation and is under no obligation to monitor the Reference Portfolio on behalf of or for the benefit of the Issuer or Noteholders. In particular, in doing so the Swap Counterparty does not act as an adviser to or as an agent for, or owe any fiduciary or other duties to, the Trustee or the Noteholders. None of the Trustee or the Noteholders has any ability to influence the exercise of discretion by the Swap Counterparty. Any gains or losses recognised by or otherwise accruing to the account of the Swap Counterparty resulting from the removals from, additions to, or increases or decreases in the Reference Obligation Notional Amount of, a Reference Obligation will be for the account of the Swap Counterparty.

Trading Payments

If an addition or removal of, or an increase or decrease to the notional amount in respect of, a Reference Obligation results in a Trading Payment, such Trading Payment shall be applied in reducing the Outstanding Principal Amount of the Notes and will therefore reduce the amounts payable to Noteholders in respect of interest and principal on the Notes.

Retention of Reference Obligations

The Swap Counterparty is not required to retain any legal, equitable or economic interest in any Reference Obligation at any time and there is no restriction whatsoever on the Swap Counterparty's ability to retain, hedge, sell or otherwise dispose of any legal, equitable or economic interest in any Reference Obligation. As a result, any obligation of the Issuer to pay a Cash Settlement Amount exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss on a Reference Obligation upon the occurrence of a Credit Event or at any other time.

Credit Events

Credit Events may occur under the Default Swap notwithstanding the fact that the occurrence of such Credit Event arises directly or indirectly from, *inter alia*, a lack of authority or capacity of the Reference Entity, an illegality or unenforceability of a Reference Obligation, any applicable law or change in interpretation thereof or the imposition of restrictions by any monetary or other authority.

Default Swap; Asset Swap

Investors in the Notes shall be deemed to have fully understood the provisions of the Default Swap and the Asset Swap and, in particular, the fact that amounts due in respect of principal and interest on the Notes will be affected by the amounts due and payable by the Issuer under the Default Swap and the Asset Swap (See Annex 2 "Default Swap Confirmation" and Annex 3 "Asset Swap Confirmation").

Investors in the Notes should conduct such independent investigation and analysis regarding the Reference Entities and the Reference Obligations (to the extent possible) as they deem appropriate to evaluate the merits and the risks of an investment in the Notes.

Risks relating to the assets comprising the Reference Portfolio

The Reference Portfolio, from time to time will be comprised of Reference Obligations which are senior secured leveraged loans, senior unsecured leveraged loans, mezzanine loans and high-yield debt securities. The majority of the Reference Obligations and/or Reference Entities are likely to have ratings which are below investment grade. The Reference Obligations will be subject to credit, liquidity and interest rate risks.

The risk that the return on the Notes could be adversely affected by defaults in respect of the Reference Obligations is likely to be increased to the extent that the Reference Portfolio is concentrated in any one obligor, industry, region or country as a result of the increased potential for correlated defaults in respect of a single obligor or within a single industry, region or country as a result of downturns relating generally to such industry, region or country.

A non-investment grade loan or debt obligation or an interest in a non-investment grade loan is generally considered speculative in nature and may default for a variety of reasons. Upon any Reference Obligation becoming a defaulting Reference Obligation, such Reference Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal and a substantial change in the terms, conditions and covenants with respect of such Reference Obligation. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in uncertainty with respect to ultimate recovery on such Reference Obligation. The liquidity for defaulted Reference Obligations may be limited, and to the extent that defaulted Reference Obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon.

Reference Obligations may be subject to various laws enacted for the protection of creditors in the countries of the jurisdictions of incorporation of the relevant Reference Entities and, if different, in which such Reference Entities conduct business.

No Security Interest in the Deposit Account

Noteholders will not have the benefit of any security over the Deposit Account. Noteholders will have security over the Asset Swap under which, *inter alia*, the Swap Counterparty has an obligation to pay to the Issuer an amount equal to the Aggregate Outstanding Principal Amount of the Notes on the Maturity Date.

Purchasers of Notes should conduct such independent investigation and analysis regarding the Reference Portfolio, the Reference Entities, the Reference Obligations and the obligors in respect thereof, as they deem appropriate to evaluate the merits and risks of an investment in the Notes.

Priority in Payment following a Termination of the ISDA Master Agreement

The Swap Agreements may be terminated early under the circumstances described in "FURTHER INFORMATION CONCERNING THE SWAP AGREEMENTS" herein. In such circumstances, the Notes will be subject to mandatory redemption and there may be a termination payment due to the Swap Counterparty. The termination payment will be determined on the basis of the total losses and costs of the Swap Counterparty in connection with the Swap Agreements. Unless the Swap Counterparty is the defaulting party under a Swap Agreement, any termination payment will be paid prior to payments of interest and principal in respect of the Notes, and, in such event, Noteholders will lose some or all of their original investment.

Prepayment Considerations

Although the Notes are scheduled to be redeemed on the Scheduled Maturity Date, the Notes may be redeemed sooner pursuant to a mandatory redemption or following an acceleration of the maturity of the Notes due to an event of default or an early termination of a Swap Agreement or mandatory partial redemption as provided for in paragraph 13(H) of the Terms of the Notes. Furthermore, the maturity of the Notes may be postponed in certain circumstances as provided in paragraph 11 of the Terms of the Notes.

No Secondary Market

Currently no secondary market exists for the Notes. The Arranger is not under any obligation to make a market in the Notes and it is highly unlikely that any secondary market for the Notes will develop. In the unlikely event that a secondary market in the Notes does develop, there can be no assurance that it will provide the Noteholders with liquidity of investment or that it will continue for the life of the Notes. 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 the financial and other risks associated with an investment in the Notes. Investors must be prepared to hold the Notes until maturity.

In addition, the Notes are subject to significant transfer restrictions as described under "Subscription and Sale and Transfer Restrictions" in the Base Prospectus and under "Exception from Registration under the Investment Company Act" below and "Selling Restrictions" in this document which further limit the liquidity of the Notes.

Business Relationships

Each of the Issuer, the Arranger, the Trustee, the Swap Counterparty, the Agent, the Custodian or any of their respective affiliates may have existing or future business relationships with each other or in respect of any Reference Entity (including, but not limited to, lending, depository, derivative counterparty, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Noteholder (including, without limitation, any action which might constitute or give rise to a Credit Event). Furthermore, the Arranger, the Trustee, the Swap Counterparty, the Agent, the Custodian or any of their respective affiliates may buy, sell or hold positions in obligations of, or credit protection in relation to any Reference Entity or may act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in any such entity.

Early Redemption

Investors should note that the Notes may be redeemed prior to their stated maturity in accordance with Condition 8.3 (Redemption for taxation and other reasons) or Condition 11 (Events of Default), if the Aggregate Outstanding Principal Amount is reduced to zero or if the Swap Counterparty elects to terminate the Default Swap on an Optional Early Termination Date or an Auction Call Redemption Date. Upon any mandatory redemption of the Notes in whole as set out in Condition 8.3 (as amended by paragraph 23 of the Terms of the Notes), Noteholders will receive the proceeds of enforcement of the security constituted by the Trust Instrument over the Mortgaged Property less any Priority Debts.

Security Interest

Although the security created by and pursuant to the Trust Instrument over the Mortgaged Property is expressed to take effect as a fixed charge, such security may take effect as a floating charge. Investors should be aware that a floating charge ranks behind the claims of certain preferential and other creditors.

Limited Recourse

Investors should note that if the net proceeds of the realisation of the security created pursuant to the Trust Instrument are not sufficient to make all payments due in respect of the Notes and for the Issuer to meet its obligations in respect of the termination of the Swap Agreements then the obligations of the Issuer in respect of the Notes and the Swap Agreements will be limited to such net proceeds, and the other assets of the Issuer will not be available for payment of any such shortfall which shall be borne by the Noteholders and the Swap Counterparty according to the priorities specified in the Trust Instrument.

The Notes are secured, limited recourse obligations of the Issuer, ranking pari passu without any preference among themselves and secured in the manner described in paragraph 18 of the Terms of the Notes. Claims of Noteholders in respect of the Notes and any other persons entitled to the benefit of the security for such Series shall rank in accordance with the priorities specified in the Trust Instrument and in this Prospectus.

Trustee Fees and Expenses

The Trustee has a right to recover all liabilities and expenses properly incurred by it including, without limitation, fees and extraordinary or unanticipated expenses from the Mortgaged Property and it shall be entitled to be indemnified out of the Mortgaged Property in respect of the execution of any of its powers, authorities or discretions. In the event that the Trustee exercises this right, in respect of any such liabilities or expenses which are not otherwise met, this will result in a reduction of the amounts (if any) available for distribution to Noteholders in respect of the Notes.

Taxation

All payments of principal and interest by the Issuer in respect of the Notes may be made subject to any withholding or deduction for, or on account of, any applicable tax. In the event of the imposition of any such taxes, the Issuer will use all reasonable endeavours (subject to the consent of the Trustee and the Swap Counterparty) to arrange for the substitution of its obligations by a company incorporated in another jurisdiction or (subject as provided above) to change its residence for taxation purposes or, to the extent permitted by law, change its domicile to another jurisdiction, failing which, or if it is unable to do so in a tax efficient manner, it shall redeem the Notes, subject to certain exceptions.

Purchasers of Notes should conduct such independent investigation and analysis regarding the tax treatment of the Notes, including the Default Swap and the Asset Swap as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Tax risks include, without limitation, a change in any applicable law, treaty, rule or regulation or the interpretation thereof by any relevant authority which may adversely affect payments or deliveries in respect of the Notes, the Default Swap and/or the Asset Swap. In addition, if the Default Swap is recharacterised for tax purposes, payments to the Issuer under the Default Swap may be subject to excise tax.

In addition to certain other circumstances the Swap Agreements may be terminated if withholding taxes are imposed on payments made by the Issuer or the Swap Counterparty under the Swap Agreements. In such circumstances the Notes will be subject to mandatory redemption, Counterparty Priority shall apply and the swap termination payments and relevant tax may have the effect of reducing amounts available to Noteholders under the Notes.

Exception from Registration under the Investment Company Act

The Issuer has not registered and will not register with the United States Securities and Exchange Commission (the "**SEC**") as an investment company pursuant to the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Issuer has not so registered in reliance on Section 3(c)(7) of the Investment Company Act ("**Section 3(c)(7)**"), which provides an exception from registration for investment companies organised under the laws of a jurisdiction other than the United States or any state thereof (i) whose investors residing in the United States are solely "qualified purchasers" within the meaning given to such term in the Investment Company Act and the regulations of the SEC thereunder ("**Qualified Purchasers**") or certain transferees thereof identified in Rule 3c-6 under the Investment Company Act or certain other specified eligible investors and (ii) which do not make a public offering of their securities in the United States. In addition, the Notes have not been and will not be registered under the Securities Act.

The Issuer has put in place certain procedures designed to ensure that it remains eligible for exemption from registration under the Investment Company Act, in part by requiring that purchasers of Notes that are U.S. Persons (as defined below) or in the United States be Qualified Purchasers. Such procedures are not as reliable as if the Issuer were to require each purchaser of Notes to acquire its Notes in physical form and provide written certifications. If persons in the United States who are not Qualified Purchasers were to purchase Notes in spite of such procedures, the SEC or a court of competent jurisdiction could find that the Issuer is in violation of the Investment Company Act for failing to register as an investment company. Possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer is party that is made in,

or whose performance involves a, violation of the Investment Company Act would be unenforceable by any party to the contract unless a court in the United States were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, the Issuer and the Noteholders would be materially and adversely affected.

If the Issuer determines at any time that a person in the United States or a U.S. person as defined in Regulation S under the Securities Act ("U.S. Person") who has purchased any Notes was not both (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act ("QIB") and (ii) a Qualified Purchaser at the time of acquisition of such Notes or interest therein, then, notwithstanding anything to the contrary in Condition 8.11 (U.S. Regulatory Redemption), the Issuer will require such holder to sell the Notes held by such holder. If the holder of the Notes fails to effect a sale within a 30 day period, the Issuer will cause such holder's Notes to be transferred to a person that certifies to the Issuer that such person is both a QIB and a Qualified Purchaser, together with the other acknowledgements, representations and agreements deemed or required to be made by a transferee of Notes taking delivery pursuant to Rule 144A under the Securities Act ("Rule 144A"), or that such person is not located in the United States (as defined in Regulation S under the Securities Act ("Regulation S")) and is not a U.S. Person, together with the other acknowledgements, representations and agreements deemed or required to be made by a transferee of Notes pursuant to Regulation S. There can be no assurance that a holder of Notes who is required to transfer Notes in this way will not incur a significant loss as a result of the need for the Issuer to find a qualifying transferee willing to purchase the Notes. Neither the Issuer, the Trustee, the Swap Counterparty nor any other party shall be liable to a holder of Notes for any such loss. No payments will be made on the affected Notes from the date notice of the sale requirement is sent to the date on which the interest is sold.

United States Federal Income Tax Treatment

The proper U.S. federal income tax treatment of the Notes will depend upon whether the Notes are classified as debt or equity for U.S. federal income tax purposes. However, there are no authorities addressing similar transactions involving instruments issued by an entity with terms similar to those of the Notes. As a result, certain aspects of the U.S. federal income tax consequences of an investment in the Notes are not certain. Moreover, the Issuer has not obtained an opinion from tax counsel and will not seek a ruling from the United States Internal Revenue Service (the "IRS") regarding the characterisation of the Notes for U.S. federal income tax purposes and there can be no assurance that the IRS will agree with, or a court will uphold, the conclusions expressed herein.

Although the Notes are issued in the form of debt, given the structure of the transaction including the Issuer's capital structure and certain terms of the Notes, a strong likelihood exists that the Notes will be treated as equity for U.S. federal income tax purposes. The Issuer intends to treat the Notes as equity of the Issuer for U.S. federal income tax purposes. Each beneficial owner of an interest in a Note, by acceptance of such interest, will agree to treat such Note, in the absence of a judicial or administrative ruling to the contrary, as equity of the Issuer for U.S. federal income tax purposes.

As a result of the treatment of the Notes as equity for U.S. federal income tax purposes, U.S. Holders (as defined herein) of Notes will be treated as owning an equity interest in a "passive foreign investment company" and possibly a "controlled foreign corporation" for U.S. federal income tax purposes, which may create adverse tax consequences to a U.S. Holder. Prospective investors should consult with their own tax advisors about the proper characterisation of the Notes for tax purposes and the effects of the Issuer being treated as a passive foreign investment company or a controlled foreign corporation.

For a further discussion of the tax consequences of investing in the Notes, see "*U.S. Federal Income Tax Considerations*" below.

ERISA

Each purchaser of any such Class of Notes will be deemed to represent and warrant that (i) no employee benefit plan within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that is subject to Title I of ERISA and no plan subject to Section 4975(e)(1) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (each a "**Plan**"), no entity whose underlying assets include "**Plan Assets**" by reason of any plan's investment in the entity (a "**Plan Asset Entity**") and no person investing "Plan Assets" of any Plan may acquire or hold the Notes or any interest therein, unless such purchase and holding is covered by the exemptive relief provided by U.S. Department of Labor Prohibited Transaction Class Exemption ("**PTCE**") 96-23, 95-60, 91-38, 90-1 or 84-14 or another applicable exemption with respect to such purchase and holding and, in the case of any purchaser or holder relying on any exemption other than PTCE 96-23, 95-60, 91-38, 90-1 or 84-14, such purchaser has complied with any request by the Issuer, the Trustee or the Arranger for an opinion of counsel or other evidence with respect to the applicability of such exemption. Any purchaser or holder of the Notes or any interest therein will be deemed to have represented by its purchase and/or holding thereof that either (a) the purchaser and holder are not Plans or Plan Asset Entities and are not purchasing such securities on behalf of or with "Plan Assets" of any Plan or (b) the purchase and holding of the Notes is covered by the exemptive relief provided by PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or another applicable exemption.

If the assets of the Issuer were deemed to be assets of an employee benefit plan that is subject to ERISA or Section 4975 of the Code, and no statutory or administrative exemptions were applicable, certain transactions that the Issuer might enter into, or has entered into, in the ordinary course of business might constitute non-exempt prohibited transactions under ERISA or Section 4975 of the Code and might have to be rescinded.

THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE, A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD ANY NOTES. THE ATTENTION OF INVESTORS IS ALSO DRAWN TO THE SECTIONS HEADED "INVESTOR SUITABILITY" AND "INVESTMENT CONSIDERATIONS" IN THE BASE PROSPECTUS.

GENERAL

Application will be made to the Irish Financial Services Regulatory Authority (the "**Financial Regulator**"), as competent authority under Directive 2003/71/EC (the "**Prospectus Directive**"), for the Prospectus to be approved. Application will be made to the Irish Stock Exchange Limited (the "**Irish Stock Exchange**") for the Notes to be admitted to the Official List and trading on its regulated market.

This Prospectus, under which the Notes are issued, incorporates by reference the base prospectus dated 23 August 2007 (the "**Base Prospectus**") issued in relation to the Issuer's EUR 10,000,000,000 Secured Note Programme (the "**Programme**"). For the purposes of this document, all references in the Base Prospectus to "Securities Note" shall be deemed to be references to this document. Deutsche Bank AG, London Branch, of Winchester House, 1 Great Winchester Street, London EC2N 2DB (the "**Arranger**") is the Arranger for the Notes. Terms defined in the Base Prospectus have the same meaning in this Prospectus.

This Prospectus comprises a prospectus for the purposes of the Prospectus Directive.

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

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Consequently, the Notes may not be offered, sold, resold or transferred within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Notes have not been approved or disapproved by the SEC or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Prospectus or the Base Prospectus. Any representation to the contrary is a criminal offence. Prospective purchasers of Notes that are QIBs are hereby notified that the seller of such Notes may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. In addition, the Issuer has not been and will not be registered as an "investment company" under the Investment Company Act. Accordingly, the Notes may be sold in the United States or to U.S. Persons only to persons that are also "Eligible Investors" as defined in "Selling Restrictions" below. For a description of certain restrictions on offers and sales of Notes in the United States, see "Selling Restrictions" below.

In addition, the Notes may not be offered, sold or transferred to any U.S. Person that is a benefit plan investor, is using the assets of a benefit plan investor to acquire such Notes or that will at any time hold such Notes for a benefit plan investor (including assets that may be held in an insurance company's separate or general accounts where assets in such accounts may be deemed "**plan assets**" for purposes of ERISA). For the purposes hereof, the term "**benefit plan investor**" means (A) any employee benefit plan (as defined in section 3(3) of ERISA) that is subject to Title I of ERISA, (B) any plan described in section 4975(e)(1) of the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Internal Revenue Code**"), or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations section 2510.3-101) and the term "**ERISA**" means the U.S. Employee Retirement Income Security Act of 1974, as amended.

This Prospectus, together with the Base Prospectus, is being submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Notes. It may not be copied or reproduced in whole or in part, nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Notwithstanding any provision herein and the otherwise confidential nature of this Prospectus and its contents, and effective from the date of commencement of discussions concerning the offering

of the Notes, each party hereto (and each employee, representative, or other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of this transaction and all materials of any kind (including opinions and other tax analyses) that are provided to it relating to such tax treatment and tax structure, except to the extent that any such disclosure could reasonably be expected to cause this offering not to be in compliance with securities laws. In addition, no person may disclose the name of or identifying information with respect to any party identified herein or other non-public business or financial information that is unrelated to the tax treatment or tax structure of this transaction without the prior consent of the Issuer. For purposes of this paragraph, the tax treatment of this transaction is the purported or claimed U.S. federal income tax treatment of this transaction and the tax structure of this transaction is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of this transaction.

The Issuer is a private limited company and accordingly its Articles of Association prohibit any invitation to the public to subscribe for any shares or debentures of the Issuer. This Prospectus does not constitute an invitation to the public within the meaning of the Irish Companies Acts 1963 to 2005 to subscribe for the Notes.

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

The Issuer accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. None of the Arranger, the Trustee or the Agent has separately verified or accepts responsibility for the accuracy of this Prospectus, however, the Arranger and or the Calculation Agent, as applicable, except responsibility for the information concerning the Calculation Agent and the Deposit Account.

No person has been authorised to give any information or to make representations other than those contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Arranger or either of them. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

Upon approval of the Prospectus by the Financial Regulator, the Prospectus will be filed with the Companies Registration Office in Ireland in accordance with Regulation 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005.

Except as specified in this Prospectus, the Issuer does not intend to provide post issuance transaction information regarding the Notes.

Documents Incorporated By Reference

This Prospectus should be read and construed in conjunction with the Base Prospectus which has been previously published and approved by the Financial Regulator. The Base Prospectus shall be deemed to be incorporated in, and form part of, this Prospectus, save that any statement contained in the Base Prospectus which is deemed to be incorporated herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded to constitute a part of this Prospectus.

Expenses

All payment of costs and expenses of the Issuer in connection with the issue of the Notes and any related Swap Agreement described in paragraph 20 of the Terms of the Notes set out below, will be met by the Swap Counterparty. It is anticipated that no surpluses shall be accumulated by the Issuer in respect of the Notes.

The expenses related to the admission to trading of the Notes on the Irish Stock Exchange are estimated to be EUR 2,600.

Documents Available for Inspection

Copies of the following documents will be available for inspection and collection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer, the specified office of the Agent in London and the specified office of the Paying Agent in Ireland, free of charge, for so long as the Notes shall remain outstanding and, for so long as the Notes remain listed on the Irish Stock Exchange, at the office of the Listing Agent specified on the back page of this Prospectus:

- (i) this Prospectus, the Base Prospectus and any prospectus supplement;
- (ii) the Trust Instrument and any supplemental trust instrument;
- (iii) each document incorporated by reference into the Trust Instrument (including without limitation the documents setting out the terms of the Agency Agreement, the Purchase Agreement and the Swap Agreement(s) referred to in paragraph 20 of the Terms of the Notes set out below);
- (iv) annual financial statements of the Issuer;
- (v) the annual financial statements and the quarterly interim financial statements of Deutsche Bank Aktiengesellschaft; and
- (vi) the Issuer's memorandum and articles of association.

ERISA Considerations

By its purchase and acceptance of a Note, each holder will be deemed to have represented and agreed that (i) no employee benefit plan within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that is subject to Title I of ERISA and no plan subject to Section 4975(e)(1) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (each a "**Plan**"), no entity whose underlying assets include "**Plan Assets**" by reason of any plan's investment in the entity (a "**Plan Asset Entity**") and no person investing "Plan Assets" of any Plan may acquire or hold the Notes or any interest therein, unless such purchase and holding is covered by the exemptive relief provided by U.S. Department of Labor Prohibited Transaction Class Exemption ("**PTCE**") 96-23, 95-60, 91-38, 90-1 or 84-14 or another applicable exemption with respect to such purchase and holding and, in the case of any purchaser or holder relying on any exemption other than PTCE 96-23, 95-60, 91-38, 90-1 or 84-14, such purchaser has complied with any request by the Issuer, the Trustee or the Arranger for an opinion of counsel or other evidence with respect to the applicability of such exemption. Any purchaser or holder of the Notes or any interest therein will be deemed to have represented by its purchase and/or holding thereof that either (a) the purchaser and holder are not Plans or Plan Asset Entities and are not purchasing such securities on behalf of or with "Plan Assets" of any Plan or (b) the purchase and holding of the Notes is covered by the exemptive relief provided by PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or another applicable exemption.

Terms of Series 263 USD 17,500,000 Portfolio Credit Linked Floating Rate Secured Notes due 2021 (the "Notes")

The Notes designated as above shall have the following "Terms" which shall complete, modify and amend the Conditions set forth in the Trust Instrument which shall apply to the Notes as so completed, modified and amended. Unless the context otherwise requires, expressions used herein and not otherwise defined in the Trust Instrument shall have the meanings respectively ascribed to them by the provisions of the 2000 ISDA Definitions (the "2000 Definitions") and, if not defined therein, the 2003 Credit Derivatives Definitions as supplemented by the May 2003 Supplement to the 2003 Credit Derivatives Definitions (together with the 2000 Definitions, the "ISDA Definitions"), each as published by the International Swaps and Derivatives Association, Inc. or the Schedule to these Terms. If there is any inconsistency between the ISDA Definitions and the provisions of the Schedule hereto, the provisions of the Schedule will prevail. References in the Terms to "paragraphs" and "sub-paragraphs" are to the paragraphs and sub-paragraphs of the Terms, unless the context requires otherwise. Italicised provisions herein are for information only and do not form part of the Terms.

1. Issuer: Eirles Two Limited.
See Annex 1 - "Information concerning the Issuer".
2. Arranger: Deutsche Bank AG, London Branch.
3. Series No.: 263
4. Relevant Currency: U.S. Dollars ("USD" or "U.S.\$") being the lawful currency of the member states of the United States of America.
5. Principal Amount: USD 17,500,000.
6. Form of the Notes: Registered.
7. Status: Secured and limited recourse obligations of the Issuer, secured as provided below.
8. Denomination: USD 100,000.
9. Issue Price: 100 per cent.
10. Issue Date: 3 August, 2006.
The Trade Date for the Notes is 22 June, 2006
11. Maturity Date: 3 August, 2021 (the "Scheduled Maturity Date"), subject to any postponement of the Maturity Date as provided in this paragraph 11, and subject to adjustment in accordance with the Modified Following Business Day Convention, for which purpose the relevant Business Days are London and New York City.

Notwithstanding the foregoing if (a) one or more Credit Events have occurred but the Event Determination Date in respect of such Credit Event has not occurred in either case on or prior to the Scheduled Maturity Date or (b) the Calculation Agent determines that a Credit Event may have occurred on or prior to the Scheduled Maturity Date, the Maturity Date will be postponed to the Termination

Date.

Any date to which the Maturity Date shall be extended pursuant to this paragraph 11 shall be the "Extended Maturity Date".

The terms "Credit Event", "Event Determination Date", "Notice Delivery Period" and "Termination Date" are defined in the Schedule to these Terms.

If applicable the Irish Stock Exchange and Noteholders will be notified as soon as reasonably practicable in respect of any such postponement of the Maturity Date to the Extended Maturity Date.

12. Interest:

Interest Rate Basis:

The Interest Amount payable on each Note in respect of each Interest Period shall be the amount (subject to a minimum of zero) determined by the Calculation Agent to be such Note's pro rata share of the sum of:

- (A) the product of:
 - (1) the average of the aggregate Notional Principal Amount then outstanding (as defined below) for each day during the relevant Interest Period;
 - (2) the sum of (x) 8.00 per cent. and (y) the Benchmark applicable to such Interest Period; and
 - (3) the Day Count Fraction,
(such amount the "Base Interest Amount");
- (B) in respect of the Interest Period (the "Final Interest Period") ending on (but excluding) the Final Interest Accrual Date, if the Maturity Date is extended pursuant to paragraph 11 above, interest accrued on the Base Interest Amount in the period (the "Average Overnight Period") from (and including) the Scheduled Maturity Date to (but excluding) the Extended Maturity Date at the Average Overnight Rate;
- (C) the sum of the Additional Interest Amounts (as defined below) in respect of each Adjustment Period (if any) which ends during such Interest Period; and
- (D) interest accrued on any Additional Interest Amount from (and including) the first Interest Payment Date falling within the relevant Adjustment Period to (but excluding) the relevant Interest Payment Date at the relevant overnight rate prevailing in the London interbank market from time to time, as determined by the Calculation Agent in a commercially reasonable manner.

Where:

"Adjustment Amount" means, in respect of a Credit Event and a Reference Obligation, an amount equal to the Maximum Cash Settlement Amount in respect of the relevant Credit Event, less the Cash Settlement Amount in respect of the relevant Credit Event, subject to a minimum of zero.

"Average Overnight Rate" means, in respect of the Average Overnight Period, a rate expressed as a percentage per annum calculated by the Calculation Agent in its sole and absolute discretion equal to the average of the Overnight Rate for each day during the Average Overnight Period.

"Extension Period" means the period from (and including) the first day of the Final Interest Period to (and excluding) the Scheduled Maturity Date or, if the Maturity Date is extended pursuant to paragraph 11 above, the Extended Maturity Date.

"Maximum Cash Settlement Amount" means, in respect of each Event Determination Date and a Reference Obligation, the maximum possible Cash Settlement Amount that could be payable under the Default Swap as a result of such Event Determination Date, as determined by the Swap Calculation Agent acting in good faith and a commercially reasonable manner, on the basis that the Loss Determination Amount in respect of each Undetermined Obligation (as defined in the Default Swap) for which a Cash Settlement Amount has not been determined will be equal to the Notional Amount of such Undetermined Obligation.

"Notional Principal Amount" means in respect of the Issue Date, USD 17,500,000 and in respect of any date falling after the Issue Date, an amount (which may never be less than zero or greater than USD 17,500,000) calculated by the Calculation Agent equal to the Notional Principal Amount for the immediately preceding date, less the sum of (i) an amount equal to the aggregate of all Cash Settlement Amounts paid under the Default Swap in respect of such day, (ii) an amount equal to the Maximum Cash Settlement Amounts in respect of all the Reference Obligations for which an Event Determination Date has occurred but no Cash Settlement Amount has been paid under the Default Swap as of such date and (iii) any amount by which the Notes have been redeemed.

"Overnight Rate" means, in respect of the extension period, the "USD-LIBOR-BBA" rate (as defined in the Annex to the 2000 ISDA Definitions (June 200 version)).

If the Default Swap is terminated on an Optional Early Termination Date or a Ramp-up Optional Early Termination Date or the Notes are subject to redemption on a Noteholders' Put Redemption Date and, in such

case, the date of such redemption of the Notes is postponed, the Interest Amount payable on each Note in respect of each subsequent Interest Period shall be the amount (subject to a minimum of zero) determined by the Calculation Agent to be such Note's pro rata share of the sum of the amounts specified in sub-paragraphs 12(B), 12(C) and 12(D) above in respect of such Interest Period.

The terms "Undetermined Obligation" "Optional Early Termination Date" and "Ramp-up Optional Early Termination Date" are defined in the Schedule to these Terms.

Additional Interest Amounts: The "Additional Interest Amount" in respect of the Adjustment Period for each Credit Event and a Reference Obligation in respect of which a Cash Settlement Date has occurred shall be determined by the Calculation Agent as the product of:

- (i) the relevant Adjustment Amount;
- (ii) the sum of (x) 8.00 per cent. And (y) the applicable Benchmark; and
- (iii) the Day Count Fraction,

provided that if an Adjustment Period is comprised of dates falling in more than one Interest Period, such additional amount of interest shall be calculated in respect of each such Interest Period (or portion thereof) on the basis of the Benchmark and the Day Count Fraction applicable to each such Interest Period, and such additional amount of interest in respect of such Adjustment Period shall be the sum of the amounts so determined in respect of each Interest Period (or portion thereof) falling within such Adjustment Period and provided that in respect of each Interest Period beginning on or after the Final Interest Accrual Date, the Benchmark shall be deemed to be zero.

Interest Commencement Date: The Interest Commencement Date is 3 August, 2006.

Interest Accrual Dates: The Interest Accrual Dates in respect of the Notes are:

- (i) 3 February, 3 May, 3 August and 3 November in each year from (and including) 3 August, 2006 (the "First Interest Accrual Date") to (and including) 3 May, 2021; and
- (ii) the Scheduled Maturity Date (the "Final Interest Accrual Date"),

subject in each case to adjustment in accordance with the Modified Following Business Day Convention, for which purpose the relevant Business Days are London and New York City.

Interest Periods: The first Interest Period is from (and including) the

Interest Commencement Date to (but excluding) the First Interest Accrual Date and thereafter, each successive Interest Period shall begin on (and include) an Interest Accrual Date and end on (but exclude) the next succeeding Interest Accrual Date (each such latter date the "Interest Accrual End Date" in respect of an Interest Period).

Interest Payment Dates:

- (i) The interest accruing in respect of each Interest Period ending on or before the Final Interest Accrual Date shall be paid on the fifth Relevant Business Day following the Interest Accrual End Date on which such Interest Period ends.
- (ii) The Interest Payment Date in respect of the interest accruing in respect of the Interest Period ending on (but excluding) the Final Interest Accrual Date shall be the Maturity Date.

Benchmark: 3-month USD-LIBOR-BBA

Day Count Fraction: Actual/360.

Primary Source: The Primary Source is Telerate Page 3750 as at 11.00 a.m. London time on the Interest Determination Date, or, if the relevant rate does not appear on such page, then USD-LIBOR-Reference Banks (Reference Banks to be specified by the Calculation Agent, if required).

Interest Determination Date: The Interest Determination Date is two Business Days in London prior to the first day of each Interest Period.

Calculation Agent: The Calculation Agent for the Notes will be the Swap Calculation Agent (as defined in paragraph 20).

All communications by Deutsche Bank AG, London Branch in its capacity as Calculation Agent will be made by Deutsche Bank AG, London Branch Swaps Desk to Deutsche Bank AG, London Branch – Trust & Securities Services.

All communications to Deutsche Bank AG, London Branch in its capacity as Calculation Agent should be made to Deutsche Bank AG, London Branch – Trust & Securities Services.

The Calculation Agent shall cause the Interest Rate for each Interest Period determined by it, together with the relevant Interest Payment Date, to be notified to the Issuer, each of the Paying Agents and the Irish Stock Exchange (for so long as the Notes are listed on the Irish Stock Exchange) as soon as possible after their determination but in no event later than the commencement of the relevant Interest Period.

13. Redemption

- Redemption at Maturity: (A) Unless previously redeemed or purchased as specified herein or in the Conditions, the Redemption Amount for each Note shall be, subject to sub-paragraphs 13(C), 13(D), 13(F) and 13(G) and paragraph 23 below, an amount equal to the Outstanding Principal Amount of such Note on the Scheduled Maturity Date or Extended Maturity Date, as the case may be.
- Principal Amount Reduction: (B) The "Outstanding Principal Amount" of each Note on the Issue Date is USD 100,000 and the "Aggregate Outstanding Principal Amount" means the sum of the Outstanding Principal Amount of all Notes.
- On any date, the Outstanding Principal Amount of each Note shall be its Outstanding Principal Amount as of the immediately preceding date, less the pro rata share of the sum of all amounts by which the Notes have been redeemed (including, without limitation, pursuant to sub-paragraph 13(I) below) and all Principal Amount Reductions effective on such date (if any), each calculated in accordance with this sub-paragraph 13(B), subject to a minimum of zero.
- On each Cash Settlement Date in respect of (a) a Credit Event and a Reference Obligation or (b) the determination of a Trading Payment, as the case may be, the Outstanding Principal Amount of each Note shall be reduced by an amount (a "Principal Amount Reduction") determined by the Swap Calculation Agent in accordance with the following formula:
- A divided by B
- Where:
- "A" means an amount in USD equal to the Cash Settlement Amount relating to (a) such Credit Event and a Reference Obligation or (b) such Trading Payment, as the case may be; and
- "B" is the number of Notes then outstanding,
- provided that in no circumstances will the Outstanding Principal Amount of any Note be an amount less than zero, as determined by the Swap Calculation Agent.
- The terms "Cash Settlement Amount", "Cash Settlement Date", "Seller", "Trading Payment" and "Reference Obligation" are defined in the Schedule to these Terms.
- Purchases: (C) Condition 8.5 (Purchases) will apply to the Notes. Upon any such purchase the Swaps will terminate

(pro rata, in the case of a purchase of some only of the Notes) and a termination payment(s) in respect of the Swaps may be payable by or to the Issuer. Any purchase of Notes by the Issuer pursuant to Condition 8.5 is conditional upon the receipt by the Issuer of an amount which, plus or minus any termination payment(s) payable to or by the Issuer from or to the Swap Counterparty on the termination (or as the case may be partial termination) of the Swaps, is sufficient to fund the purchase price payable by the Issuer.

Noteholders' Put Option:

- (D) Condition 8.8 will apply to the Notes, provided that subject as provided below the Noteholders may only exercise their option to require the Issuer to redeem the Notes in whole (but not in part), at any time, pursuant to an Extraordinary Resolution of Noteholders holding or representing a majority in principal amount of the Notes for the time being outstanding, passed in accordance with Condition 13, if the Swap Counterparty has failed within a period of 30 calendar days of the relevant event to take such action as is provided under the terms of the Swap Agreement following a Swap Counterparty Ratings Downgrade (as defined in sub-paragraph 20(D)) where the long-term credit rating of the Swap Counterparty has fallen below "A" by S&P. Accordingly, the Issuer shall, redeem the Notes within thirty Relevant Business Days from the date of such Extraordinary Resolution, by giving not less than five Relevant Business Days' irrevocable notice (in accordance with Condition 16) (a "Redemption Notice") to the Noteholders, the Trustee, the Agents and the Irish Stock Exchange (for so long as the Notes are listed on the Irish Stock Exchange) (but so that any requirement under Clause 4.1(G) of the General Trust Terms for Structured Investments arranged by Deutsche Bank AG London/Deutsche Bank Aktiengesellschaft; Standard & Poor's/Moody's Rated Issuer, August 2000 Edition or otherwise to have a Redemption Notice delivered to or approved by the Trustee before the giving thereof will not apply) (such date, the "Noteholders' Put Redemption Date").

For the purposes of Condition 8.8, the Redemption Amount shall be the Outstanding Principal Amount as at the due date for redemption and the Redemption Amount together with the interest accrued to (but excluding) the date fixed for redemption payable pursuant to Condition 8.8 are together referred to as the "Noteholders' Put Redemption Amount").

Notwithstanding the provisions of this sub-paragraph 13(D), if one or more Credit Events

have occurred but no Event Determination Date in respect of such Credit Event has occurred, in either case on or prior to any Noteholders' Put Redemption Date, the designation of such Noteholders' Put Redemption Date shall not be affected by the occurrence of one or more Credit Events in respect of which no Event Determination Date has occurred.

- No other Optional Redemption: (E) Conditions 8.6 and 8.7 will not apply to the Notes. Condition 8.11 will apply to the Notes; provided, however, that (a) the redemption provided in subparagraph (ii) of Condition 8.11 shall not apply and (b) if an affected Noteholder fails to effect a sale as provided in subparagraph (i) of Condition 8.11 within a 30 day period, the Issuer will cause such holder's Notes to be transferred to a person that certifies to the Issuer that such person is both a QIB and a Qualified Purchaser, together with the other acknowledgements, representations and agreements deemed or required to be made by a transferee of Notes taking delivery pursuant to Rule 144A under the Securities Act, or that such person is not located in the United States (as defined in Regulation S under the Securities Act) and is not a U.S. Person, together with the other acknowledgements, representations and agreements deemed or required to be made by a transferee of Notes pursuant to Regulation S.
- Early Redemption: (F) The Notes shall be redeemed if, at any time, the Aggregate Outstanding Principal Amount thereof is reduced to zero (such date the "Zero Date"). In such event, no payments will be due by the Issuer to the Noteholders in respect of principal under the Notes and the Notes will be redeemed on the Business Day following the Zero Date upon payment of any interest payable in respect of the Notes on the basis specified in paragraph 12 above in respect of the Interest Period commencing on the Interest Accrual Date immediately preceding the Zero Date (or, if none, the Interest Commencement Date) to (but excluding) such Zero Date Provided That, for the avoidance of doubt, if such Zero Date is an Interest Accrual Date no interest other than any interest accrued but unpaid in respect of any Interest Period falling prior to the Zero Date shall be payable.
- Optional Early Redemption (G) If the Swap Counterparty elects to terminate the Default Swap on an Optional Early Termination Date or a Ramp-Up Optional Early Termination Date, the Issuer will redeem the Notes on the relevant Optional Early Termination Date or

Ramp-Up Optional Early Termination Date, as the case may be, (the date of such redemption, the "Optional Early Redemption Date") in whole (but not in part only), by giving not less than ten Relevant Business Days' irrevocable notice (in accordance with Condition 16) (a "Redemption Notice") to the Noteholders, the Trustee, the Agents and the Irish Stock Exchange (for so long as the Notes are listed on the Irish Stock Exchange) (but so that any requirement under Clause 4.1(G) of the General Trust Terms for Structured Investments arranged by Deutsche Bank AG London/Deutsche Bank Aktiengesellschaft; Standard & Poor's/ Moody's Rated Issuer – August 2000 Edition or otherwise to have a Redemption Notice delivered to or approved by the Trustee before the giving thereof will not apply), and the Redemption Amount of each Note will be equal to its Outstanding Principal Amount as at the due date for redemption together with the interest accrued to (but excluding) the Optional Early Redemption Date (the "Optional Early Redemption Amount").

Payment of the Optional Early Redemption Amount in respect of all the Notes in accordance with the foregoing provisions shall constitute full and final discharge of all of the Issuer's obligations in respect of the Notes.

Notwithstanding the provisions of this subparagraph 13(G), if one or more Credit Events have occurred but no Event Determination Date in respect of such Credit Event has occurred, in either case on or prior to any Optional Early Redemption Date, the designation of such Optional Early Redemption Date shall not be affected by the occurrence of one or more Credit Events in respect of which no Event Determination Date has occurred. If an Event Determination Date has occurred in respect of the Default Swap but the relevant Cash Settlement Date has yet to occur, the Optional Early Redemption Date shall be postponed until the fifth Business Day following the latest occurring of any such Cash Settlement Date.

- Payments of Principal:
- (H) If on any date (a "Principal Distribution Date") the Class B Tranche Amount is reduced other than following (a) an Event Determination Date or (b) the determination of a Trading Payment (each of (a) and (b) a "Principal Amount Reduction Event"), if so directed by the Swap Counterparty pursuant to the Asset Swap, the Issuer will give notice (in accordance with Condition 16) to the Noteholders, the Trustee and the Agents, such notice to specify

the date on which the Notes are to be partially redeemed pursuant to this sub-paragraph 13(H) (which shall be not earlier than five Business Days following the date of the Redemption Notice (the "Partial Redemption Date") and the principal and the principal amount of each Note to be redeemed and will pay in respect of each Note an amount equal to such Note's pro rata share of the relevant Distribution Amount on the Partial Redemption Date.

Any such payment pursuant to this sub-paragraph 13(H) shall be deemed to be a payment of an instalment of principal in respect of the Notes. For the purposes of Condition 8, the Notes are Instalment Notes and for the purposes of Condition 8.9 each Note's pro rata share of the Distribution Amount shall be an Instalment Amount and each Principal Distribution Date shall be an Instalment Date.

"Distribution Amount" means, in respect of a Principal Distribution Date, an amount in USD calculated by the Calculation Agent equal to the amount by which the Class B Tranche Amount is reduced on such Principal Distribution Date other than following a Principal Amount Reduction Event.

- (l) Unless previously redeemed or purchased as specified in sub-paragraphs 13(C), 13(D), 13(F) or 13(G) and paragraph 23, each Note will be redeemed at its Outstanding Principal Amount on the Scheduled Maturity Date or the Extended Maturity Date.
 - 1. The term "Class B Tranche Amount" is defined in the Schedule to these Terms.
 - 2. Investors should note that where the Notes have become subject to redemption pursuant to Condition 8.3 the Redemption Amount of each Note will be an amount equal to that proportion of the proceeds of enforcement of the security over the Mortgaged Property, less certain amounts due to other parties whose claims rank higher in priority to those of the Noteholders, which the pro rata portion of the Outstanding Principal Amount in respect of such Note bears to the Aggregate Outstanding Principal Amount of the Notes. See sub-paragraph 23(B) below.

- 14. Unmatured Coupons to become void upon early redemption: Not applicable.
- 15. Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates: Not applicable.

between the maturity for each Talon (Bearer Notes):

16. Business Day Jurisdictions for London and New York City. In the Terms and for the Condition 9.8 (jurisdictions purposes of the Conditions, references to "Business required to be open for Days" shall (except where specified otherwise) be payment): construed as references to days which are Business Days in either London or New York City and "Relevant Business Days" shall (except where specified otherwise or the context requires) be construed as references to days which are Business Days in London and New York City.
17. (a) Notes to be represented DTC Global Certificates. The Notes are being offered on issue by: under circumstances which will not require the Issuer to register as an investment company under the Investment Company Act in reliance on the exception contained in Section 3(c)(7) thereof.
- (b) Applicable exemption: 3(c)(7).
- (c) Temporary Global Note exchangeable for Permanent Global/Definitive Bearer/Registered Notes: Not applicable.
18. Security: Collateral charged to Trustee. See paragraph 19 below.
19. Collateral:
- (1) No Collateral will be charged in relation to the Notes. In place of such Collateral, an amount equal to the Principal Amount of the Notes shall be paid pursuant to the Asset Swap by the Issuer to the Swap Counterparty on the Issue Date and placed on deposit in a deposit account in the name of the Swap Counterparty (the "Deposit Account"). The Swap Counterparty shall, pursuant to the Asset Swap, pay to the Issuer an amount equal to the Aggregate Outstanding Principal Amount of the Notes on the Maturity Date. See Paragraph 20(A). The Issuer will assign its rights under the Asset Swap in accordance with the terms of the Trust Instrument.
- (2) The Trustee shall apply all moneys received by it under the Trust Instrument in connection with the realisation or enforcement of the security constituted by or pursuant to the Trust Instrument on the basis of Counterparty Priority except where the realisation or enforcement of the security is due to (a) a failure by the Swap Counterparty to remedy a Swap Counterparty Ratings Downgrade within the specified period (as set out in paragraph 20(D) below) or (b) the termination of a Swap Agreement as a result of an Event of Default in respect of which the Swap Counterparty is the

Defaulting Party or a Tax Event Upon Merger in respect of which the Swap Counterparty is the Affected Party, when in each such case Noteholder Priority will apply.

- (3) Condition 4.6 (Purchase of Collateral maturing after the Maturity Date) will not apply to the Notes.
- (4) The Selling Agent is Deutsche Bank AG, London Branch.

20. Swap Agreements:

Yes – there will be two Swap Agreements, as specified below. In these Terms and for the purposes of the Conditions, "Swaps" shall mean the Asset Swap and the Default Swap (each as defined below), or any of them, as the context requires.

Asset Swap:

- (A) Under an ISDA Master Agreement which the Issuer and the Swap Counterparty have entered into by executing the Trust Instrument (the "ISDA Master Agreement"), as supplemented by a confirmation thereto with an effective date of 3 August 2006 (the "Asset Swap Confirmation") (the ISDA Master Agreement as so supplemented by the Asset Swap Confirmation, the "Asset Swap") (for further details, see the Asset Swap Confirmation which forms Annex 4 hereto).

Default Swap:

- (B) Under the ISDA Master Agreement, as supplemented by a confirmation thereto with an effective date of 3 August 2006 (the "Default Swap Confirmation") (the ISDA Master Agreement as so supplemented by the Default Swap Confirmation, the "Default Swap") (for further details, see the Default Swap Confirmation which forms Annex 2 hereto).

- (C) The Swap Agreements will terminate if for any reason the Notes become subject to mandatory redemption (in whole) under Condition 8.3 (as amended by paragraph 23 below).

Swap Counterparty Ratings Downgrade:

- (D) If on any date on which there are Notes outstanding the long-term credit rating of the Swap Counterparty falls below "A" by S&P (a "Swap Counterparty Ratings Downgrade") then no later than 30 calendar days after the occurrence of such Swap Counterparty Ratings Downgrade the Swap Counterparty will:

- (a) obtain a guarantee for its obligations to the Issuer under the Swap Agreements from any other entity having a long-term credit rating not lower than "A" by S&P and thereafter ensure that its obligations to the Issuer under the Swap Agreements remain guaranteed by an entity having a long-term credit

rating not lower than "A" by S&P; or

- (b) novate at the expense of the Swap Counterparty all (and not some only) of its obligations to the Issuer under the Swap Agreements to any other entity having a long-term credit rating not lower than "A" by S&P; or
- (c) provide collateral for its obligations to the Issuer under the Swaps in a form which is acceptable to the Issuer (and on terms that S&P confirms that its then current rating of the Notes will not be adversely affected) in an amount equal to either:
 - (i) the sum of:
 - (a) the product of the formula:
 - ((Specified Percentage x the Outstanding Principal Amount in respect of a Note) plus the Accrued Interest Amount in respect of a Note) x the number of Notes then outstanding; and
 - (b) an amount equal to the amount of any scheduled expenses payable by the Issuer in respect of the Interest Period which commences immediately after the occurrence of the Swap Counterparty Ratings Downgrade; less
 - (c) the market value of the collateral as at the date of delivery of such collateral (as determined by the Calculation Agent in good faith and in a commercially reasonable manner).
 - (ii) such other amount such that, in any event, the then current rating of the Notes by S&P will not be adversely affected by the Swap Counterparty Ratings Downgrade; or
 - (d) take any other actions, such that S&P confirms that its then current ratings of the Notes will not be adversely affected by such Swap Counterparty Ratings Downgrade,

and if the Swap Counterparty elects to do any or all of (a), (b), (c) and (d) above, the Swap Counterparty shall on or prior to the date of such guarantee, novation, provision of collateral or other action obtain written confirmation from S&P that its rating of the Notes will not be adversely affected by such guarantee, novation, provision of

collateral or other action.

For the purposes of this sub-paragraph 20(D):

"Accrued Interest Amount" means, in respect of a Note, an amount equal to if the long-term credit rating of the Swap Counterparty has fallen below "A" by S&P an amount which may never be less than zero equal to the product of (1) the Outstanding Principal Amount of such Note as of the date on which the relevant Swap Counterparty Ratings Downgrade occurred (2) the then current Benchmark plus 8.00 per cent. and (3) the quotient of (a) the number of days in the Interest Period in which the relevant Swap Counterparty Ratings Downgrade occurred (as numerator) and (b) 360 (as denominator) (provided that such amount shall be adjusted from time to time to reflect the amount of accrued interest for each subsequent Interest Period in which the Swap Counterparty Ratings Downgrade continues to occur); and

"Specified Percentage" shall mean 100 per cent.

In the event that the Swap Counterparty fails to take any of the actions described in (a), (b), (c) or (d) above in accordance with the terms of the Swap Agreements following a Swap Counterparty Ratings Downgrade, the Swaps may be terminated only upon the Notes becoming subject to redemption by the Issuer under Condition 8.8 (as amended by sub-paragraph 13(D) above) as a result of the exercise by the Noteholders of the option to require the Issuer to redeem the Notes in whole (but not in part) pursuant to an Extraordinary Resolution of Noteholders holding or representing a majority in principal amount of the Notes for the time being outstanding, passed in accordance with Condition 13.

The foregoing summary is qualified in its entirety by the terms of the Swap Agreement. See also "Further information concerning the Swap Agreement" below.

A copy of the Asset Swap Confirmation forms Annex 2 hereto.

A copy of the Default Swap Confirmation forms Annex 3 hereto.

The foregoing summary is qualified in its entirety by the forms of the Swap Agreements. Copies of the Default Swap Confirmation and the Asset Swap Confirmation are attached as Annex 2 and Annex 3.

Swap Counterparty:

Deutsche Bank AG, London Branch. In its capacity as Swap Counterparty, Deutsche Bank AG, London Branch is also designated as the calculation agent (the "Swap Calculation Agent") for the purpose of the Swap Agreements. Any determination by the Swap Calculation Agent shall be conclusive and binding on the Issuer, the Trustee, the Noteholders, the Agent and all other persons save in the case of manifest error and (without prejudice

to section 4.14 of the 2000 Definitions) no liability shall attach to the Swap Calculation Agent in respect thereof.

The foregoing summary is qualified in its entirety by the forms of the Swap Agreements. Copies of the Default Swap Confirmation and the Asset Swap Confirmation are attached as Annex 2 and Annex 3.

21. Repurchase Agreement: No.
Repurchase Counterparty: Not applicable.
22. Credit Support Document: No.
23. Mandatory Redemption: (A) Condition 8.2 will not apply to the Notes.
(B) The Notes will be subject to mandatory redemption (in whole) under Condition 8.3 (as amended below).
(C) If the Notes become subject to mandatory redemption under Condition 8.3, the Notes shall be redeemed in whole in accordance with Condition 8.3 and the security constituted by or created pursuant to the Trust Instrument shall become enforceable.

Payment of the Redemption Amount in respect of all of the Notes in accordance with the foregoing provisions shall constitute full and final satisfaction of all of the Issuer's obligations to make any payment of the principal and/or interest in respect of the Notes.

- (D) Condition 8.3 shall apply to the Notes and shall be amended as follows:
- (i) by the deletion of sub-paragraph (B) and the substitution in its place of the following:
"(B) subject as provided in (C) below, the Swap Agreements are terminated in accordance with their terms prior to the Swap Agreements Termination Date except, in the case of the Default Swap, upon termination thereof at the option of the Swap Counterparty on the Optional Early Termination Date or the Ramp-Up Optional Early Termination Date, as the case may be";
and
- (ii) by the deletion of sub-paragraph (C) and the substitution in its place of the following:
"(C) subject as provided in (B) above, the Swap Agreements are terminated in accordance with their terms prior to the Swap Agreement Termination Date".
- (E) The Notes shall be redeemed pursuant to Condition 8.3 at the date fixed for redemption in the relevant notice (in each case the "Mandatory Redemption Date").

The Redemption Amount for the purposes of any redemption of the Notes pursuant to Condition 8.3 shall be:

- (i) the proceeds of enforcement of the security constituted by the Trust Instrument over the Mortgaged Property (the "Enforcement Proceeds"), less
- (ii) all sums secured on the Mortgaged Property in priority to the claims of the Noteholders, including without limitation any sums payable to the Trustee and Early Termination Unwind Costs (such sums, the "Priority Debts").

Payment in accordance with the foregoing provisions shall constitute full and final satisfaction of all of the Issuer's obligations to make any payment of principal in respect of the principal amount of the Notes so to be redeemed or the relevant part thereof and of any interest accruing in respect of such principal amount at any time after the first day of the Interest Period during which the Notes become subject to mandatory redemption and the Outstanding Principal Amount of the Notes shall be deemed to be reduced accordingly.

"Early Termination Unwind Costs" means the sum (the result of which may be a positive or negative amount or zero) of:

- (i) the amount, if any, payable by the Issuer to the Swap Counterparty (expressed as a positive amount) or by the Swap Counterparty to the Issuer (expressed as a negative amount) on the termination of the Default Swap as a result of the Notes becoming subject to mandatory redemption under Condition 8.3 (as amended hereby);
- (ii) the amount, if any, payable by the Issuer to the Swap Counterparty (expressed as a positive amount) or by the Swap Counterparty to the Issuer (expressed as a negative amount) on the termination of the Asset Swap as a result of the Notes becoming subject to mandatory redemption under Condition 8.3 (as amended hereby); and
- (iii) all legal and other ancillary costs (expressed as a positive amount) incurred by the Issuer, the Trustee or the Swap Counterparty as a result of the Notes becoming subject to mandatory redemption under Condition 8.3 (as amended hereby).

See sub-paragraph 19(3) above regarding the application of monies received by the Trustee in connection with the realisation or enforcement of the security as a result of a redemption of the Notes pursuant to Condition 8.3.

24. Listing:

Application will be made to list the Notes on the Irish

Stock Exchange.

25. The Notes have been accepted in DTC, Euroclear and Clearstream, Luxembourg and have the following security codes:
- | | |
|---------------------|--------------|
| 144A ISIN: | US28257EBM12 |
| Regulation S ISIN: | US28257FBM86 |
| 144A CUSIP: | 28257EBM1 |
| Regulation S CUSIP: | 28257FBM8 |
26. Rating: The Notes are expected to be rated "B" by S&P.
27. Custody: Not applicable.
28. Agent: The Agent appointed pursuant to the Agency Agreement will be Deutsche Bank AG, London Branch or any other person subsequently appointed as Agent pursuant to the Agency Agreement, subject to approval by S&P and the Trustee on behalf of the Noteholders.
29. Registrar and Transfer Agents: Deutsche Bank Trust Company Americas c/o Deutsche Bank National Trust Company, Global Transaction Banking, Trust & Securities Services, 25 DeForest Avenue, Mail Stop: SUM01-0105, Summit, New Jersey 07901.
30. Agent for Service of Process: Deutsche Bank AG, London Branch at its registered office for the time being (currently at Winchester House, 1 Great Winchester Street, London ECN 2DB).

SCHEDULE – DEFINITIONS

The following terms shall have the meanings ascribed to them in the Default Swap:

Cash Settlement Amount

Cash Settlement Date

Class B Tranche Amount

Credit Event

Event Determination Date

Notice Delivery Period

Optional Early Termination Date

Ramp-Up Optional Early Termination Date

Reference Obligation

Seller

Termination Date

Trading Payment

Undetermined Obligation

FURTHER INFORMATION CONCERNING THE TRUST INSTRUMENT

General

The Trust Instrument is dated the Issue Date and is made between the Issuer, the Trustee (as specified on the back cover of this Prospectus) and the other parties named therein. It is entered into for the purpose of constituting and securing the Notes and setting out the terms of the agreement made between the parties specified therein in relation to the Notes. Set out below is a summary of the main provisions.

Provisions Relating to the Issuer and the Trustee

The Trust Instrument contains standard provisions which set out various obligations of the Issuer and the Trustee.

The Trust Instrument sets out the covenants of the Issuer, including, *inter alia*, provisions relating to its duty to provide various persons with information, to prepare and display certain information, to only do such things as are contemplated within the Trust Instrument (most importantly, in relation to the issue of the Notes and other limited recourse investments which it is permitted to enter into) and its duties with respect to its obligations in respect of the Notes.

The Trust Instrument also sets out the basis for the remuneration, reimbursement of expenses, termination and indemnification of the Trustee in respect of its duties. The Trust Instrument sets out the conditions for replacement of the Trustee; in particular that a replacement trustee must be approved by the Issuer and Noteholders (in the case of both retirement and removal of the Trustee). There will, however, always be a Trustee in place. Provisions which are supplemental to certain statutory provisions and which set out the powers of the Trustee and the extent of its duties are also included.

Form of the Notes

The Trust Instrument sets out the Issuer's covenant to pay in respect of, and certain provisions relating to, the Notes constituted and secured by the Trust Instrument. It also sets out the form of the Notes themselves (both global and definitive forms).

Terms and Conditions of the Notes

The terms and conditions of the Notes (the "**Conditions**"), which are incorporated by reference into the Trust Instrument, set out the terms and conditions of the Notes. The Terms are also set out in this Prospectus. The Terms of the Notes supplement, amend and should be read in conjunction with the Conditions.

Swap, Agency and Purchase Agreements

The Trust Instrument sets out and executes the following:

- a) the Swap Agreements (as further described in the following section);
- b) the Agency Agreement, covering the duties, liabilities, appointment and change of the various agents, including the Agent, the Paying Agent, the Custodian and the Selling Agent; and
- c) the Purchase Agreement covering the provisions relating to the purchase of the Notes by the Arranger, the conditions precedent to such arrangement, various representations, warranties, undertakings and agreements of the Issuer and the Purchaser and the selling restrictions applicable to the distribution of the Notes.

The above summary is qualified in its entirety by the terms of the Trust Instrument, which will be available as described under the heading "General" above.

INFORMATION CONCERNING THE CALCULATION AGENT

The Calculation Agent is Deutsche Bank AG, London Branch (the “**Calculation Agent**”) which is the London branch of Deutsche Bank Aktiengesellschaft (“**DB AG**”). The Calculation Agent’s address is Winchester House, 1 Great Winchester Street, London, EC2N 2DB. DB AG is the parent company of a group consisting of banks, capital market companies, fund management companies, a property finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies. The Calculation Agent’s relationship with the Issuer is to act, where applicable, as Calculation Agent in relation to the Notes. DB AG has a relationship with the Issuer acting as Agent, Arranger and Swap Counterparty in relation to the Notes.

Business Activities

The objects of DB AG, as laid down in its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. DB AG may realise these objectives itself or through subsidiaries and affiliated companies.

Calculation Agent’s Responsibilities

The Calculation Agent is responsible for making any determination or calculation required pursuant to the Terms and Conditions of the Notes. Once a determination or calculation is made, the Calculation Agent is responsible for notifying the Issuer, the Trustee, the Agent, the Registrar, each Paying Agent, the Noteholders, the relevant Arranger and such other persons as may be required by the Terms and Conditions of the Notes.

Termination and Appointment of Calculation Agent

The appointment of the Calculation Agent will terminate if the Calculation Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or if a resolution is passed or an order made for the winding up or dissolution of the Calculation Agent.

The Issuer may appoint a Calculation Agent and/or terminate the appointment of any Calculation Agent by giving at least 60 days’ notice to that effect provided that no such termination of the appointment of the Calculation Agent shall take effect until a successor has been appointed and provided further that no such termination shall take effect if as a result of such termination there would cease to be a Calculation Agent. The Issuer will obtain the prior written approval of the Trustee to any appointment or termination by it and take appropriate steps to notify any such appointment or termination to the holders of the Notes.

FURTHER INFORMATION CONCERNING THE SWAP AGREEMENT

In addition to the circumstances specified in paragraph 20 above, the Swap Agreement (as defined in paragraph 20 above) may be terminated early, (either in whole or, in certain circumstances, in part only) among other circumstances:

- (i) if at any time all of the Notes become repayable in full in accordance with the Conditions prior to the Maturity Date (and for the avoidance of doubt it is confirmed that the Notes shall not be deemed to have become repayable by reason of any reduction in the Outstanding Principal Amount made in accordance with sub-paragraphs 13(B) and 13(H) of the Terms);
- (ii) at the option of one party, if there is a failure by the other party to pay any amounts due under either Swap Agreement (subject as provided in the relevant Swap Agreement);
- (iii) if (subject as provided in the relevant Swap Agreement) withholding taxes are imposed on payments made by the Issuer or the Swap Counterparty under either Swap Agreement or it becomes illegal for either party to perform its obligations under either Swap Agreement; or
- (iv) upon the occurrence of certain other events as described in the Swap Agreements (which has an effective date of the Issue Date as defined in the Terms) with respect to either party to the Swap Agreements, including, in respect of the Swap Counterparty only, insolvency.

Consequences of Early Termination of the Swap Agreements

Section 2(c) of the ISDA Master Agreement has been amended so that the netting of the payments provisions therein shall apply to the Swap Agreements.

Upon any such early termination of either of the Swap Agreements, the Issuer or the Swap Counterparty (subject as stated in paragraph 20 above) may be liable to make a termination payment to the other party (regardless, if applicable, of which such parties may have caused such termination).

In all cases of early termination occurring other than by reason of a default by the Swap Counterparty (in which case the determination will be made by the Issuer), and subject as stated in paragraph 20 above, any applicable payment will be determined by the Swap Counterparty on the basis of the Swap Counterparty's determination of the total losses and costs (or gain, in which case expressed as a negative number) of the other party in connection with the relevant Swap Agreement.

There is no assurance that the termination payment payable by the Swap Counterparty to the Issuer (if any) will be sufficient to repay the principal amount due to be paid in respect of the Notes and any other amounts in respect thereof that are due.

The above summary is qualified in its entirety by the terms of the Swap Agreement, which will be available as described under the heading "General" above.

USE OF PROCEEDS

The net proceeds of the issue of the Notes (being the sum of USD 17,500,000) will be used by the Issuer to satisfy its initial obligations under the Swap Agreements.

TAX CONSIDERATIONS

Neither the Issuer, nor the Swap Counterparty, is obliged to pay any additional amount for, or on account of, any payments under the Notes or any Swap Agreement which is the subject of a deduction or withholding for or on account of any tax. The imposition of such withholding or deductions would lead to a mandatory redemption of the Notes.

LEGAL OPINIONS

Legal opinions relating to the issue of the Notes and the obligations of the Issuer thereunder have been obtained with respect to the laws of England and Ireland. It is not intended that legal opinions will be obtained with respect to any other applicable laws and no investigation has been made into, or legal opinions obtained with respect to, the validity, binding nature or enforceability of the obligations of any obligor in respect of the Mortgaged Property (or any part thereof) under the laws of England or any other relevant jurisdiction. The legal opinions which have been obtained are subject to qualifications and are made on certain assumptions and, in general, a legal opinion with respect to the laws of one jurisdiction will not extend to express any opinion with respect to the validity or enforceability of security interests stated to be governed by the laws of another jurisdiction.

AVAILABILITY OF PROSPECTUS AND OTHER DOCUMENTS

For so long as the Notes remain outstanding, the Base Prospectus and this Prospectus (and any Prospectus Supplement) issued by the Issuer since the date of first publication of the Base Prospectus will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection at the registered office of each of the Issuer, the Trustee and the Paying Agents specified on the back cover of the Base Prospectus and will be available from the date hereof at the offices of the Listing Agent specified on the back cover of this Prospectus for so long as the Notes are listed on the Irish Stock Exchange.

PAYING AGENTS, LISTING AGENT AND REGISTRAR

The Principal Paying Agent for the Notes shall be Deutsche Bank AG, London Branch in such capacity and the Irish Paying Agent shall be Deutsche International Corporate Services (Ireland) Limited. The Listing Agent appointed in respect of the Notes is Deutsche Bank AG, London Branch. The Registrar and Transfer Agent in respect of the Notes will be Deutsche Bank Trust Company Americas.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

Any U.S. federal tax discussion in this Prospectus was not written and is not intended to be used and cannot be used by any taxpayer for purposes of avoiding U.S. federal income tax penalties that may be imposed on the taxpayer. Any such tax discussion was written to support the promotion or marketing of Notes to be issued pursuant to this Prospectus, the Base Prospectus and the Programme. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

The following is a general summary of certain principal U.S. federal income tax consequences that may be relevant with respect to the ownership of the Notes. This summary addresses only the U.S. federal income tax considerations of holders that acquire the Notes at their original issuance pursuant to this Prospectus and that will hold the Notes as capital assets. This summary does not purport to address all U.S. federal income tax matters that may be relevant to a particular holder. This summary does not address tax considerations applicable to holders that may be subject to special tax rules including, without limitation, the following: (i) financial institutions; (ii) insurance companies; (iii) dealers or traders in securities, currencies or notional principal contracts; (iv) tax exempt entities; (v) regulated investment companies; (vi) real estate investment trusts; (vii) persons that will hold the Notes as part of a "hedging" or "conversion" transaction or as a position

in a "straddle" or as part of a synthetic security or other integrated transaction for U.S. federal income tax purposes; (viii) persons that own (or are deemed to own) 10 per cent. or more of the voting shares (or interests treated as equity) of the Issuer; (ix) persons that have a "functional currency" other than the U.S. dollar; and (x) partnerships, pass through entities or persons who hold the Notes through partnerships or pass through entities. Further, this summary does not address alternative minimum tax consequences or the indirect effects on the holders of equity interests in a holder of Notes.

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury Regulations and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this Prospectus. All of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below. This summary also does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the federal income tax laws of the U.S. federal government.

Each prospective investor is urged to consult its own tax advisor with respect to the U.S. federal, state, local and foreign tax consequences of acquiring, owning or disposing of the Notes.

For the purposes of this summary, a "**U.S. Holder**" is a beneficial owner of Notes that is, for U.S. federal income tax purposes: (i) an individual citizen or resident of the United States; (ii) a corporation created or organised in or under the laws of the United States or any state thereof (including the District of Columbia); (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (x) a court within the United States is able to exercise primary supervision over its administration and (y) one or more U.S. persons have the authority to control all of the substantial decisions of such trust. As provided in U.S. Treasury Regulations, certain trusts in existence on 20 August, 1996, and treated as United States persons prior to that date that maintain a valid election to continue to be treated as United States persons also are U.S. Holders. A "**Non U.S. Holder**" is a beneficial owner of Notes that is not a U.S. Holder. If a partnership holds the Notes, the U.S. federal income tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding the Notes should consult its tax advisor regarding the tax considerations of investing in the Notes under its particular situation.

No rulings have been sought from the United States Internal Revenue Service ("**IRS**") and no opinion has been sought from tax counsel regarding the matters discussed herein and there can be no assurance that the IRS will agree with the conclusions expressed. This discussion is a general summary and does not cover all tax matters that may be important to a particular investor. **Prospective investors should consult their own tax advisors regarding the proper treatment of the Notes for U.S. federal income tax purposes, including the consequences of agreeing to characterise the Notes in a manner consistent with the treatment described herein, and the tax consequences of an investment in the Notes under the federal, state and local laws of the United States and any other jurisdiction where the investor may be subject to taxation with respect to their particular situation.**

Characterisation of the Notes

The proper U.S. federal income tax treatment of the Notes will depend upon whether the Notes are classified as debt or equity for U.S. federal income tax purposes. There are no authorities addressing similar transactions involving securities issued by an entity with terms similar to those of the Notes. As a result, certain aspects of the U.S. federal income tax consequences of an investment in the Notes are not certain.

Although the Notes are issued in the form of debt, given the structure of the transaction including the Issuer's capital structure and certain terms of the Notes, a strong likelihood exists that the Notes will be treated as equity for U.S. federal income tax purposes. The Issuer intends to treat the Notes as equity of the Issuer for U.S. federal income tax purposes. Each beneficial owner of an interest in a Note, by acceptance of such interest, will agree to treat such Note in the absence of a

judicial or administrative ruling to the contrary as equity of the Issuer for U.S. federal income tax purposes.

If the Notes are treated as equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of a Note would be treated as owning an equity interest in a passive foreign investment company for U.S. federal income tax purposes. Accordingly, there might be adverse tax consequences upon the sale, retirement or other disposition of, or the receipt of certain types of distributions on, such Notes by a U.S. Holder as described below. It is possible that the IRS could assert an alternative characterisation of the Notes other than as equity or debt (each as described below) in which case, if the IRS were successful, the tax consequences may be different than those described below. **Prospective investors should consider the tax consequences of investing in the Notes and should consult their own tax advisors regarding the proper treatment of the Notes and the consequence of agreeing to treat the Notes as equity in the Issuer for U.S. federal income tax purposes in their particular circumstances.**

Taxation of U.S. Holders

The following discussion assumes that the Notes are treated as equity for U.S. federal income tax purposes.

Distributions

Subject to the passive foreign investment company and controlled foreign corporation rules described below, the gross amount of any distribution by the Issuer of cash or property (including any amounts withheld in respect of any applicable withholding tax) with respect to a Note will be taxable to a U.S. Holder as a dividend to the extent of the Issuer's current and accumulated earnings and profits as determined under U.S. federal income tax principles. The U.S. Holder will not be eligible for any dividends received deduction in respect of the dividend otherwise allowable to corporations. Distributions in excess of earnings and profits will be non taxable to the U.S. Holder to the extent of, and will be applied against and reduce, the U.S. Holder's adjusted tax basis in the Notes. Distributions in excess of earnings and profits and such adjusted tax basis will generally be taxable to the U.S. Holder as capital gain from the sale or exchange of property. The Issuer does not maintain calculation of its earnings and profits under U.S. federal income tax principles. Accordingly, any distribution will generally be taxable as a dividend even if that distribution would otherwise be treated as a non taxable return of capital or as a capital gain under the rules described above. The amount of any distribution of property other than cash will be the fair market value of that property on the date of distribution. Dividends paid by the Issuer will not be eligible for the reduced income tax rate applicable to certain U.S. non corporate shareholders that receive "qualified dividends" paid by U.S. corporations and "qualified foreign corporations".

Amounts received as dividends by a U.S. Holder with respect to the Notes will be treated as foreign source income for the purposes of calculating that Noteholder's foreign tax credit limitation. Subject to certain conditions and limitations, foreign country income tax withheld on dividends may be deducted from taxable income or credited against a U.S. Holder's U.S. federal income tax liability. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific classes of income. In certain circumstances, a U.S. Holder may be unable to claim foreign tax credits for foreign taxes imposed on a dividend. The rules relating to foreign tax credits and the timing thereof are complex. U.S. Holders should consult their own tax advisors regarding the availability of a foreign tax credit under their particular situation.

Sale, Exchange or Other Disposition of Notes

Subject to the passive foreign investment company and controlled foreign corporation rules described below, a U.S. Holder will generally recognise gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of Notes in an amount equal to the difference between the U.S. dollar value of the amount realised from such sale, exchange or other disposition and the U.S. Holder's adjusted tax basis for those Notes. A U.S. Holder's adjusted tax basis of its Notes is generally its cost. Such gain or loss will be a capital gain or loss and will generally be treated as from sources within the United States. **Prospective investors should consult their own tax advisors with respect to the treatment of capital gains (which may be**

taxed at lower rates than ordinary income for taxpayers who are individuals, trusts or estates that held the Notes for more than one year) and capital losses (the deductibility of which is subject to limitations).

Redemption of Notes

The redemption of Notes by the Issuer will be treated as a sale of the redeemed Notes by the U.S. Holder (which is taxable as described above under "*Sale, Exchange or Other Disposition of Notes*") or, in certain circumstances, as a distribution to the U.S. Holder (which is taxable as described above under "*Distributions*").

Passive Foreign Investment Company and Controlled Foreign Corporation Considerations

A corporation organised outside the United States generally will be classified as a "passive foreign investment company" (a "**PFIC**") for U.S. federal income tax purposes in any taxable year in which, after applying certain look-through rules, either: (i) at least 75 per cent. of its gross income is "passive income", or (ii) on average at least 50 per cent. of the gross value of its assets is attributable to assets that produce "passive income" or are held for the production of passive income. Passive income for this purpose generally includes dividends, interest, royalties, rents, annuities and gains from commodities and securities transactions. The Issuer will be treated as a PFIC for U.S. federal income tax purposes.

Upon receipt of a distribution on, or sale of, Notes, a U.S. Holder will be required to allocate to each day in its holding period with respect to the Notes, a pro rata portion of any distributions received on the Notes which are treated as an "excess distribution" (generally, any distributions received by the U.S. Holder on the Notes in a taxable year that are greater than 125 per cent. of the average annual distributions received by the U.S. Holder in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the Notes). Any amount of an excess distribution (which term includes gain on the sale of stock) treated as allocable to a prior taxable year is subject to U.S. federal income tax at the highest applicable rate of the year in question, plus an interest charge on the amount of tax deemed to be deferred. As discussed above, an individual U.S. Holder would not be entitled to the reduced maximum income tax rate applicable to certain "qualified dividends" under U.S. tax legislation.

Mark to Market Election. U.S. Holders can avoid the interest charge by making a mark to market election with respect to shares in a PFIC, provided that the shares are "marketable" within the meaning of U.S. Treasury Regulations. U.S. Holders should consult their own tax advisors as to whether the shares are eligible for the mark to market election. Such election cannot be revoked without the consent of the IRS unless the shares cease to be marketable. A U.S. Holder that makes a mark to market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the shares at the close of the taxable year over the U.S. Holder's adjusted basis in the shares. An electing U.S. Holder may also claim an ordinary loss deduction for the excess, if any, of the U.S. Holder's adjusted basis in the shares over the fair market value of the shares at the close of the taxable year, but only to the extent of any net mark to market gains for prior years. In the case of a mark to market election, gains from an actual sale or other disposition of the shares will be treated as ordinary income, and any losses incurred on a sale or other disposition of the shares will be treated as an ordinary loss to the extent of any net mark to market gains for prior years. If the Issuer is a PFIC for any year in which the U.S. Holder owns the shares but before a mark to market election is made, the interest charge rules described above will apply to any mark to market gain recognised in the year the election is made.

QEF Election. The foregoing PFIC rules with respect to distributions and dispositions may be avoided if a U.S. Holder is eligible for and timely makes a valid "**QEF election**". A U.S. Holder that makes this election will be required in each taxable year to include (a) as long term capital gain its pro rata share of the Issuer's net capital gain (i.e. the excess of net long term capital gain over net short term capital loss for our taxable year ending with or within the U.S. Holder's taxable year) and (b) as ordinary income its pro rata share of the Issuer's ordinary earnings (i.e. the excess of current earnings and profits for such taxable year of the Issuer over such net capital gain), regardless of whether the Issuer distributes such amounts to the U.S. Holder. For this purpose, a

U.S. Holder's pro rata share of the Issuer's ordinary income and net capital gain is the amount which would have been distributed to the U.S. Holder if, on each day during our taxable year, the Issuer had distributed to each holder of an equity interest a pro rata share of that day's rateable share of the Issuer's ordinary earnings and net capital gain for such year. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In this regard, the Issuer's income, gain or loss, as determined for U.S. federal income tax purposes, could impact the U.S. Holder's recognition of income, gain or loss for U.S. federal income tax purposes.

In addition, if a QEF election is made, any losses in a taxable year will not be available to such U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If the Issuer distributes the income or gain that was previously included in the U.S. Holder's gross income, such distributions will be non taxable to the U.S. Holder. For the purposes of determining gain or loss on the disposition (including redemption or retirement) of Notes, a U.S. Holder's initial tax basis in the Notes will be increased by the amount so included in gross income with respect to the Notes and decreased by the amount of any non taxable distributions on the Notes. In general, a U.S. Holder making a timely QEF election will recognise on the sale or disposition (including redemption and retirement) of Notes, capital gain or loss equal to the difference, if any, between the amount realised upon such sale or disposition and its adjusted tax basis in such Notes.

Each U.S. Holder who desires to make a QEF election must individually make the QEF election. The QEF election is effective for the U.S. Holder's taxable year for which it is made and all subsequent taxable years and may not be revoked without the consent of the IRS. In general, a U.S. Holder must make a QEF election on or before the due date for filing its income tax return for the first year to which the QEF election will apply.

The QEF election is effective only if certain required information is made available by the Issuer. There can be no assurances whether the Issuer will provide such information to U.S. Holders and therefore whether a U.S. Holder will be able to make a QEF election. Although the Issuer has not finally determined whether it will provide such information, the Issuer does not currently intend to do so. U.S. Holders should consult their own tax advisors as to the procedures required to be followed in making a QEF election and all the consequences of making a QEF election.

In the event that the Notes are characterised as voting equity, the Issuer may be classified as a controlled foreign corporation with respect to U.S. Holders that own at least 10 per cent. of the Issuer's voting equity. Such holders would, in general, be taxed in a similar manner as if they had made the QEF election described above (although some income that would otherwise be capital may be ordinary). **The relationship between the PFIC and CFC rules and the possible consequences of those rules for a particular U.S. Holder depend upon the circumstances of the Issuer and such U.S. Holder. U.S. Holders should note that, under the PFIC or CFC rules described above, U.S. Holders may be required to recognise income for tax purposes that substantially exceeds the cash they receive in any taxable period. Each prospective investor should consult its tax advisor about the possible application of the PFIC and CFC rules to its particular situation.**

Information Reporting Requirements

Under U.S. federal income tax law and regulations, certain categories of U.S. persons must file information returns with respect to their investment in the equity interests of a foreign corporation. Generally, U.S. Holders would need to file an IRS Form 926 with respect to their acquisition of the Notes pursuant to this Securities Note. The failure to file such IRS Form 926 may subject such U.S. Holder to a maximum penalty of \$100,000 except in the case of intentional disregard. In addition, because the Issuer is a PFIC, each U.S. Holder of the Notes will be required to make an annual return on IRS Form 8621, reporting distributions received and gains realised with respect to that PFIC interest. **U.S. Holders should consult their own tax advisors regarding any U.S. federal income tax information reporting requirements that are attributable to such U.S. Holder's ownership of the Notes.**

Alternative Characterisation

It is possible, although unlikely, that the Notes, consistent with their form, could be treated as debt rather than equity in the Issuer for U.S. federal income tax purposes. If the Notes were characterised as debt instruments, the Notes could be treated as contingent payment debt instruments ("**CPDIs**") subject to the "non contingent bond method" under the U.S. Treasury Regulations governing CPDIs (the "**CPDI Regulations**"). The CPDI Regulations generally require a U.S. Holder of a CPDI subject to the non contingent bond method to include future contingent and non contingent interest payments in income as such interest accrues (as original issue discount ("**OID**")) based upon a projected payment schedule that reflects the yield of a comparable non contingent debt instrument issued by the Issuer. Thus, under this characterisation, a U.S. Holder would be required to accrue amounts of OID in income prior to the receipt of payments of such amounts. Further, under the CPDI Regulations, any gain or loss such U.S. Holder recognises on the sale, exchange or retirement of a CPDI will generally be treated as U.S. source ordinary income or loss, except that a portion of any loss recognised could be treated as capital loss (depending on the circumstances). Prospective investors are urged consult their own tax advisors regarding the characterisation of the Notes and the application and consequences of the CPDI Regulations to the Notes.

Taxation of Non U.S. Holders of Notes

A Non U.S. Holder generally should not be subject to U.S. federal income or withholding tax on any payments on the Notes and gain from the sale, redemption or other disposition of the Notes unless: (i) that payment and/or gain is effectively connected with the conduct by that Non U.S. Holder of a trade or business in the United States; (ii) in the case of any gain realised on the sale or exchange of a Note by an individual Non U.S. Holder, that holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met; or (iii) the Non U.S. Holder is subject to tax pursuant to provisions of the Code applicable to certain expatriates. **Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal income and other tax consequences of owning Notes.**

Backup Withholding and Information Reporting

Backup withholding and information reporting requirements may apply to certain payments on the Notes and proceeds of the sale or redemption of the Notes to U.S. Holders made within the United States. The Issuer, its agent, a broker, or any paying agent, as the case may be, may be required to withhold tax from any payment that is subject to backup withholding if the U.S. Holder fails to furnish the U.S. Holder's taxpayer identification number, to certify that such U.S. Holder is not subject to backup withholding, or to otherwise comply with the applicable requirements of the backup withholding rules. Certain U.S. Holders (including, among others, corporations) are not subject to the backup withholding and information reporting requirements. Non U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder generally may be claimed as a credit against such U.S. Holder's U.S. federal income tax liability provided that the required information is furnished to the IRS. **Noteholders should consult their own tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.**

IRS Disclosure Reporting Requirements

Recently promulgated U.S. Treasury Regulations (the "**Disclosure Regulations**") meant to require the reporting of certain tax shelter transactions ("**Reportable Transactions**") could be interpreted to cover transactions generally not regarded as tax shelters. Under the Disclosure Regulations it may be possible that certain transactions with respect to the Notes may be characterised as Reportable Transactions requiring a holder to disclose such transaction, such as a sale, exchange, retirement or other taxable disposition of a Note that results in a loss that exceeds certain thresholds and other specified conditions are met. Prospective investors in the Notes should

consult with their own tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Statement).

PERSONS WHO ARE UNSURE OF THEIR TAX POSITION ARE ADVISED TO CONSULT THEIR PROFESSIONAL ADVISORS. THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS

FURTHER INFORMATION CONCERNING THE DEPOSIT ACCOUNT

As at the Issue Date, the Deposit Account is held at Deutsche Bank AG, London Branch in the name of the Custodian. The Deposit Account will be credited with the proceeds of the Notes on the Issue Date as described in Paragraph 19 of the Terms above. The Deposit Account will be governed in accordance with the laws of England and Wales.

As at the date of this Prospectus the balance on the Deposit Account is USD 17,500,000. The Deposit Account has no scheduled maturity and will exist perpetually.

Deutsche Bank Aktiengesellschaft has securities admitted to trading on the Luxembourg Stock Exchange.

Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

Deutsche Bank AG, London Branch

“Deutsche Bank AG, London Branch” is the London branch of Deutsche Bank AG. The registered address is Winchester House, 1 Great Winchester Street, London EC2N 2DB United Kingdom. On 12 January 1973, Deutsche Bank AG filed in the United Kingdom the documents required pursuant to section 407 of the Companies Act 1948 to establish a place of business within Great Britain. On 14 January 1993, Deutsche Bank registered under Schedule 21A to the Companies Act 1985 as having established a branch (Registration No. BR000005) in England and Wales. Deutsche Bank AG, London Branch is an authorized person for the purposes of section 19 of the Financial Services and Markets Act 2000. In the United Kingdom, it conducts wholesale banking business and through its Private Wealth Management division, it provides holistic wealth management advice and integrated financial solutions for wealthy individuals, their families and selected institutions.

SELLING RESTRICTIONS

General

The Arranger and the Issuer have agreed that no action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any part thereof including this Prospectus, or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. The Arranger has agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells, or delivers Notes or has in its possession or distributes the Base Prospectus or any part thereof including this Prospectus, or any such other material, in all cases at its own expense unless otherwise agreed.

United States

The Issuer has not been and will not be registered under the Investment Company Act and the Notes have not been and will not be registered under the Securities Act. Consequently, the Notes may not be offered, sold, resold, or transferred within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws and under circumstances that will not require the Issuer to register under the Investment Company Act.

Accordingly, the Notes are being offered and sold only (i) outside the United States in offshore transactions to non-U.S. Persons in compliance with Regulation S and (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act only to Eligible Investors (as defined below). The Issuer is relying on the exception from the Investment Company Act set out in Section 3(c)(7) thereof.

For the purposes of the preceding paragraph, "**Eligible Investors**" are defined as persons who are QIBs acting for their own account or for the account of other QIBs, but excluding therefrom: (i) QIBs that are dealers that own and invest on a discretionary basis less than U.S.\$25 million in "securities" as such term is defined under Rule 144A, (ii) a partnership, common trust fund, special trust, pension fund, retirement plan or other entity in which the partners, beneficiaries or participants, as the case may be, may designate the particular investments to be made or the allocation thereof, (iii) an entity that was formed, reformed or recapitalised for the specific purpose of investing in the Notes, (iv) any investment company excepted from the Investment Company Act solely pursuant to Section 3(c)(1) or Section 3(c)(7) thereof and formed prior to April 30, 1996, that has not received the consent of its beneficial owners with respect to the treatment of such entity as a qualified purchaser in the manner required by Section 2(a)(51)(C) of the Investment Company Act and rules thereunder, and (v) any entity that will have invested more than 40 per cent. of its assets in securities of the Issuer subsequent to any purchase of the Notes.

No sale of the Notes in the United States or to a U.S. Person will be for less than U.S.\$100,000 principal amount and integral multiples of U.S.\$1 in excess thereof, and no Note will be issued in connection with such a sale in a smaller principal amount. If a purchaser of such Notes is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 principal amount of the Notes and integral multiples of U.S.\$1 in excess thereof.

Each initial purchaser of a Note will be required to deliver an investment letter in the form set out in Annex 4 to this Prospectus (an "**Investment Letter**"), and each subsequent transferee will be deemed to have made the same representations and agreements contained in the Investment Letter. The Investment Letter includes the representations and agreements substantially to the following effect (undefined terms used in this section that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (1) **Purchaser Requirements.** The purchaser either (I)(A) is an Eligible Investor, (B) will hold at least the minimum denomination of U.S.\$100,000, (C) will provide notice of applicable transfer restrictions to any subsequent transferee, and (D) is purchasing for its own account or for the accounts of one or more other persons each of whom meets all of the requirements of clauses (A) through (C) and over which it exercises sole investment

discretion or (II) is a non-U.S. Person purchasing outside the United States in compliance with Regulation S.

- (2) **Notice of Transfer Restrictions.** The purchaser acknowledges and agrees that (A) the Notes have not been and will not be registered under the Securities Act and the Issuer has not been registered as an "investment company" under the Investment Company Act, (B) neither the Notes nor any beneficial interest therein may be re-offered, resold, pledged or otherwise transferred except in accordance with the provisions contained in the legends on the relevant DTC Global Certificate, set out below, and (C) the purchaser will notify any transferee of such transfer restrictions and that each subsequent holder will be required to notify any subsequent transferee of such Notes of such transfer restrictions. The purchaser further acknowledges that the Issuer and the Trustee reserve the right prior to any sale or other transfer to require the delivery of such certifications, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the foregoing restrictions.
- (3) **Mandatory Transfer.** The purchaser acknowledges and agrees that in the event that at any time the Issuer determines or is notified by the Arranger acting on behalf of the Issuer that such purchaser was in breach, at the time given or deemed to be given, of any of the representations or agreements set out in paragraph (1) above or otherwise determines that any transfer or other disposition of any Notes would, in the sole determination of the Issuer or the Arranger acting on behalf of the Issuer, require the Issuer to register as an "investment company" under the provisions of the Investment Company Act, such purchase or other transfer will be void *ab initio* and will not be honoured by the Trustee. Accordingly, any such purported transferee or other holder will not be entitled to any rights as a holder of Notes and the Issuer shall have the right, in accordance with the conditions of the Notes, to force the transfer of any such Notes.
- (4) **Rule 144A Information.** Each purchaser of Notes offered and sold in the United States is hereby notified that the offer and sale of such Notes to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. The Issuer has agreed to furnish to investors upon request such information as may be required by Rule 144A.
- (5) **ERISA.** If the purchaser is a U.S. Person purchasing an interest in the Notes, then the purchaser is not a benefit plan investor, is not using the assets of a benefit plan investor to acquire such Notes and shall not at any time hold such Notes for a benefit plan investor (including assets that may be held in an insurance company's separate or general accounts where assets in such accounts may be deemed **plan assets** for purposes of ERISA). For the purposes hereof, the term **benefit plan investor** means (A) any employee benefit plan (as defined in section 3(3) of ERISA) that is subject to Title I of ERISA, (B) any plan described in section 4975(e)(1) of the U.S. Internal Revenue Code, or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations section 2510.3-101).
- (6) **Legends on DTC Global Securities.** The purchaser acknowledges that each of the DTC Global Certificates will bear legends substantially to the effect set out below and that the Issuer has covenanted in the Trust Instrument not to remove either such legend so long as it shall be necessary for the Issuer to rely on the exception to the Investment Company Act set out in Section 3(c)(7) thereof.
- (7) **Tax Treatment.** The purchaser, by acceptance of an interest in a Note, agrees to treat such Note, in the absence of a judicial or administrative ruling to the contrary, as equity of the Issuer for U.S. federal income tax purposes.

Any transfer or other disposition of any Notes that would, in the sole determination of the Issuer, require the Issuer to register as an "investment company" under the provisions of the Investment Company Act will be void, and such transfer or other disposition will not be recognised by the Issuer. If, at any time, a Note is held by or on behalf of a U.S. Person who is not an Eligible

Investor at the time it purchases such Note, the Issuer may, in its discretion and at the expense and risk of such holder, require any such holder to transfer such Notes to an Eligible Investor or to a non-U.S. Person outside the United States. The determination of which Notes will be sold in any particular case is in the discretion of the Issuer.

The DTC Restricted Global Certificate will bear a legend in substantially the following form:

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE ISSUER TO REGISTER UNDER THE INVESTMENT COMPANY ACT.

BY PURCHASING THE SECURITIES REPRESENTED HEREBY, EACH HOLDER OF ANY BENEFICIAL INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE SECURITIES THAT IT EITHER (I)(A) IS AN "ELIGIBLE INVESTOR" (AS DEFINED BELOW), (B) WILL HOLD AT LEAST THE MINIMUM DENOMINATION OF U.S.\$100,000, (C) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (D) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE PRECEDING REQUIREMENTS AND (E) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL OF THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (E) OR (II) IS NOT A "U.S. PERSON" AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT ("U.S. PERSON") AND IS ACQUIRING THE SECURITIES PURSUANT TO RULE 903 OR 904 OF REGULATIONS UNDER THE SECURITIES ACT. IN THE EVENT OF ANY TRANSFER PURSUANT TO THE PRECEDING CLAUSE (II), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE SECURITIES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE DTC REGULATION S GLOBAL CERTIFICATE (AS DEFINED IN THE TRUST INSTRUMENT); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A REGULATION S TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE TRUST INSTRUMENT AND IS AVAILABLE FROM THE REGISTRAR), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, CERTIFYING AS TO ITS STATUS AS A NON-U.S. PERSON. ANY RESALE OR OTHER TRANSFER OF THIS SECURITY MADE OTHER THAN IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS SHALL NOT BE RECOGNIZED BY THE ISSUER, THE REGISTRAR OR ANY OTHER AGENT OF THE ISSUER.

"ELIGIBLE INVESTORS" ARE DEFINED FOR THE PURPOSES HEREOF AS PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("QIBS") ACTING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF OTHER QIBS, BUT EXCLUDING THEREFROM: (I) QIBS THAT ARE DEALERS THAT OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25 MILLION IN "SECURITIES" AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION FUND, RETIREMENT PLAN OR OTHER ENTITY IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) AN ENTITY THAT WAS FORMED, REFORMED OR RECAPITALIZED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE SECURITIES REPRESENTED HEREBY, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT SOLELY PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF AND FORMED PRIOR TO APRIL 30, 1996, THAT HAS NOT RECEIVED THE CONSENT OF ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT AND RULES AND REGULATIONS THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40% OF ITS ASSETS IN SECURITIES OF THE ISSUER SUBSEQUENT TO ANY PURCHASE OF THE SECURITIES REPRESENTED HEREBY.

THE PURCHASER ACKNOWLEDGES THAT THE ISSUER AND THE TRUSTEE RESERVE THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE ISSUER OR THE TRUSTEE MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS. EACH HOLDER OF A BENEFICIAL INTEREST IN THIS GLOBAL CERTIFICATE ACKNOWLEDGES THAT IN THE EVENT THAT AT ANY TIME THE ISSUER DETERMINES OR IS NOTIFIED BY THE ARRANGER THAT SUCH PURCHASER WAS IN BREACH, AT THE TIME GIVEN OR DEEMED TO BE GIVEN, OF ANY OF THE REPRESENTATIONS OR AGREEMENTS SET FORTH IN THIS LEGEND OR OTHERWISE DETERMINES THAT ANY TRANSFER OR OTHER DISPOSITION OF ANY SECURITIES WOULD, IN THE SOLE DETERMINATION OF THE ISSUER, REQUIRE THE ISSUER TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE PROVISIONS OF THE INVESTMENT COMPANY ACT, SUCH PURCHASE OR OTHER TRANSFER WILL BE VOID *AB INITIO* AND WILL NOT BE HONOURED BY THE TRUSTEE. ACCORDINGLY, ANY SUCH PURPORTED TRANSFEREE OR OTHER HOLDER WILL NOT BE ENTITLED TO ANY RIGHTS AS A SECURITYHOLDER AND THE ISSUER SHALL HAVE THE RIGHT, IN ACCORDANCE WITH CONDITION 8.11 OF THE SECURITIES, TO FORCE THE TRANSFER OF ANY SUCH SECURITIES.

THE SECURITIES REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE PURCHASED OR HELD BY (A) ANY EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED) THAT IS SUBJECT TO TITLE I OF ERISA, (B) ANY PLAN DESCRIBED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (WITHIN THE MEANING OF THE U.S. DEPARTMENT OF LABOR REGULATIONS SECTION 2510.3-101).

The DTC Regulation S Global Certificate will bear a legend in substantially the following form:

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS

WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE ISSUER TO REGISTER UNDER THE INVESTMENT COMPANY ACT.

BY PURCHASING THE SECURITIES REPRESENTED HEREBY, EACH HOLDER OF ANY BENEFICIAL INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE SECURITIES THAT IT EITHER (I)(A) IS AN "ELIGIBLE INVESTOR" (AS DEFINED BELOW), (B) WILL HOLD AT LEAST THE MINIMUM DENOMINATION OF U.S.\$100,000, (C) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (D) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE PRECEDING REQUIREMENTS AND (E) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL OF THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (E) OR (II) IS NOT A "U.S. PERSON" AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("U.S. PERSON") AND IS ACQUIRING THE SECURITIES PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT. IN THE EVENT OF ANY TRANSFER PURSUANT TO THE PRECEDING CLAUSE (I), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE SECURITIES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE DTC RESTRICTED GLOBAL CERTIFICATE (AS DEFINED IN THE TRUST INSTRUMENT); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A RULE 144A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE TRUST INSTRUMENT AND IS AVAILABLE FROM THE REGISTRAR), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, CERTIFYING AS TO ITS STATUS AS AN ELIGIBLE INVESTOR. ANY RESALE OR OTHER TRANSFER OF THIS SECURITY MADE OTHER THAN IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS SHALL NOT BE RECOGNIZED BY THE ISSUER, THE REGISTRAR OR ANY OTHER AGENT OF THE ISSUER.

"ELIGIBLE INVESTORS" ARE DEFINED FOR THE PURPOSES HEREOF AS PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("QIBS") ACTING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF OTHER QIBS, BUT EXCLUDING THEREFROM: (I) QIBS THAT ARE DEALERS THAT OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25 MILLION IN "SECURITIES" AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION FUND, RETIREMENT PLAN OR OTHER ENTITY IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) AN ENTITY THAT WAS FORMED, REFORMED OR RECAPITALIZED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE SECURITIES REPRESENTED HEREBY, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT SOLELY PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF AND FORMED PRIOR TO APRIL 30, 1996, THAT HAS NOT RECEIVED THE CONSENT OF ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT

AND RULES AND REGULATIONS THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40% OF ITS ASSETS IN SECURITIES OF THE ISSUER SUBSEQUENT TO ANY PURCHASE OF THE SECURITIES REPRESENTED HEREBY.

THE PURCHASER ACKNOWLEDGES THAT THE ISSUER AND THE TRUSTEE RESERVE THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE ISSUER OR THE TRUSTEE MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS. EACH HOLDER OF A BENEFICIAL INTEREST IN THIS GLOBAL CERTIFICATE ACKNOWLEDGES THAT IN THE EVENT THAT AT ANY TIME THE ISSUER DETERMINES OR IS NOTIFIED BY THE ARRANGER THAT SUCH PURCHASER WAS IN BREACH, AT THE TIME GIVEN OR DEEMED TO BE GIVEN, OF ANY OF THE REPRESENTATIONS OR AGREEMENTS SET FORTH IN THIS LEGEND OR OTHERWISE DETERMINES THAT ANY TRANSFER OR OTHER DISPOSITION OF ANY SECURITIES WOULD, IN THE SOLE DETERMINATION OF THE ISSUER, REQUIRE THE ISSUER TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE PROVISIONS OF THE INVESTMENT COMPANY ACT, SUCH PURCHASE OR OTHER TRANSFER WILL BE VOID *AB INITIO* AND WILL NOT BE HONOURED BY THE TRUSTEE. ACCORDINGLY, ANY SUCH PURPORTED TRANSFEREE OR OTHER HOLDER WILL NOT BE ENTITLED TO ANY RIGHTS AS A SECURITYHOLDER AND THE ISSUER SHALL HAVE THE RIGHT, IN ACCORDANCE WITH CONDITION 8.11 OF THE SECURITIES, TO FORCE THE TRANSFER OF ANY SUCH SECURITIES.

THE SECURITIES REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE PURCHASED OR HELD BY (A) ANY EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED) THAT IS SUBJECT TO TITLE I OF ERISA, (B) ANY PLAN DESCRIBED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (WITHIN THE MEANING OF THE U.S. DEPARTMENT OF LABOR REGULATIONS SECTION 2510.3-101).

Prospective purchasers are hereby notified that the sellers of the securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Terms which are used in this paragraph have the meanings given to them under such Rule.

With respect to Notes initially sold pursuant to Regulation S, until 40 days after the commencement of the offering, an offer or sale of such Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from the Securities Act.

Offers and sales of Notes in the United States will be made by the Arranger through affiliates that are registered broker-dealers under the United States Securities Exchange Act of 1934, as amended.

The Arranger has agreed that, during the period until 40 days after the later of the commencement of the offering and the Issue Date (the "**Distribution Compliance Period**"), it will send to each distributor, dealer or other person receiving a selling commission, fee or other remuneration to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers, sales and deliveries of the Notes within the United States or to, or for the account or benefit of, U.S. Persons.

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**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not

made and will not make an offer of Notes 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 legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) 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.

Germany

The Notes have not been and will not be publicly offered in the Federal Republic of Germany and, accordingly, no securities sales prospectus (Verkaufsprospekt) for a public offering of the Notes in the Federal Republic of Germany, in accordance with the Securities Sales Prospectus Act (Wertpapierverkaufsprospektgesetz) (the "**Prospectus Act**"), has been or will be published or circulated in the Federal Republic of Germany.

Deutsche Bank AG, London Branch has represented and agreed that it only has solicited offers, offered and sold and will only solicit offers, offer and sell the Notes in the Federal Republic of Germany in accordance with the provisions of the Prospectus Act and any other laws applicable in the Federal Republic of Germany governing the issue, sale and offering of securities. Any resale of the Notes in the Federal Republic of Germany may only be made in accordance with the provisions of the Prospectus Act and any other laws applicable in the Federal Republic of Germany governing the sale and offering of securities.

United Kingdom

The Arranger has agreed that:

- (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 the 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;
- (ii) it has only communicated or caused to be communicated, and it will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity

(within the meaning of section 21 of FSMA received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Ireland

The Issuer is a private limited company and accordingly its Articles of Association prohibit any invitation to the public to subscribe for any shares or debentures of the Issuer. This Prospectus does not constitute an invitation to the public within the meaning of the Irish Companies Acts 1963 to 2005 to subscribe for the Notes.

The Arranger represents, warrants and agrees that:

- (i) it has not offered or sold or will not offer or sell any Notes of a Series in Ireland except in circumstances which do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive; and
- (ii) it has not done and will not do anything in Ireland in connection with the Notes of a Series which might constitute a breach of Section 9(1), 23(1), 23(6) or 23(7) of the Investment Intermediaries Act 1995.

ANNEX 1

INFORMATION CONCERNING THE ISSUER

The information set out in the section of the Base Prospectus entitled "Description of the Issuer" is hereby incorporated into this Prospectus in accordance with Article 11.1 of the Prospectus Directive.

The issue of the Notes has been authorised by a resolution of the board of directors of the Issuer passed on 2 August 2006.

As at the date of this Prospectus, save for issuances of any notes pursuant to the Programme, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

The indebtedness of the Issuer as at 5 November 2007 is EUR 8,286,689,361.09.

Save as for issues of notes, there has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer since the publication of its most recent financial statements.

There are no governmental legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had from the date of incorporation to the date hereof a significant effect on the Issuer's financial position.

Directors and Company Secretary

The Directors of the Issuer are as follows:

Liam Quirke

Niall O'Carroll

Michael Whelan

The business address of Liam Quirke is 70 Sir John Rogerson's Quay, Dublin 2, Ireland, the business address of Niall O'Carroll is "Thurleigh" Upper Churchtown Road, Dundrum, Dublin 14, Ireland and the business address of Michael Whelan is c/o Deutsche International Corporate Services (Ireland) Limited, 5 Harbourmaster Place, Dublin 1, Ireland.

The Company Secretary is Deutsche International Corporate Services (Ireland) Limited.

Deutsche International Corporate Services (Ireland) Limited is the administrator of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the administrator may be terminated and the administrator may retire upon three months' notice subject to the appointment of an alternative administrator on similar terms to the existing administrator.

ANNEX 2
DEFAULT SWAP CONFIRMATION

Date: 3 August 2006

To: Eirles Two Limited, as Seller.

From: Deutsche Bank AG, acting through its London branch, as Buyer.

Re: Portfolio Credit Default Swap relating to the Eirles Two Limited Series 263 USD 17,500,000 Variable Rate Notes due 3 August 2021, ISIN Codes: 144A US28257EBM12, RegS US28257FBM86

CLASS B CREDIT DEFAULT SWAP OVER A PORTFOLIO OF LOANS AND BONDS

Dear Sirs,

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

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions, as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions each as published by the International Swaps and Derivatives Association, Inc. (together the **Credit Derivatives Definitions**) and modified as set out herein, are incorporated into this Confirmation. In the event of any inconsistency between this Confirmation and the Credit Derivatives Definitions, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the 1992 ISDA Master Agreement dated as of 26 April 2006 as amended and supplemented from time to time (the **Agreement**), entered into between you and us by our execution of the Trust Instrument dated 3 August 2006 between us and certain other persons for purposes including constituting the Notes. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

Words and expressions defined in the Terms and Conditions of the Notes (as the same may be amended, modified or supplemented from time to time, the **Conditions**) shall bear the same meanings in this Confirmation and in the event of any inconsistency between words and meanings defined in the Conditions and words and expressions defined in this Confirmation, this Confirmation will govern.

The parties agree and acknowledge that this Transaction contemplates that the Conditions to Settlement may be satisfied with respect to more than one Reference Credit Agreement and/or Reference Entity (as the case may be), that there may therefore be multiple Event Determination Dates, Cash Settlement Dates and Cash Settlement Amounts, and that the Credit Derivatives Definitions should, for the purposes of this Confirmation, be interpreted accordingly.

The Terms of this Transaction are as follows:

1. General Terms:

The Portfolio Notional Amount will be allocated between three tranches (each being a **Tranche** for the purposes of this Transaction):

- (a) the Class A Tranche;
- (b) the Class B Tranche; and
- (c) the Class C Tranche.

For the purposes of this Transaction, the Class A Tranche is the most senior Tranche and the Class C Tranche is the most junior Tranche.

The initial tranche amount for each Tranche on the Effective Date is as follows:

- (i) in respect of the Class A Tranche, USD 897,500,000 (the **Initial Class A Tranche Amount**);
- (ii) in respect of the Class B Tranche, USD 17,500,000 (the **Initial Class B Tranche Amount**); and
- (iii) in respect of the Class C Tranche, USD 85,000,000 (the **Initial Class C Tranche Amount**).

each an **Initial Class Tranche Amount**, and generically, as adjusted from time to time in accordance with the terms of this Confirmation, the **Class Tranche Amounts** (and each a **Class Tranche Amount**).

On the Effective Date, an amount equal to the Initial Portfolio Notional Amount minus the Portfolio Reference Amount on that date shall be credited to Ledger A.

In order to reflect changes to the Reference Portfolio and Credit Events affecting Reference Credit Agreements comprising the Reference Portfolio under this Transaction:

- (A) the Class Tranche Amount for a Tranche shall be the relevant Initial Class Tranche Amount as adjusted during the Term in accordance with the provisions of Paragraph 9 below; and
- (B) the Outstanding Portfolio Notional Amount shall be adjusted in accordance with the provisions of Paragraph 9 below.

Trade Date: 22 June 2006

Effective Date: 3 August 2006

Scheduled Termination Date: The earlier of:

- (b) 3 August 2021;
- (c) the Optional Early Termination Date; and
- (d) the Ramp-Up Optional Early Termination Date.

Termination Date: The latest date on which an amount could become payable pursuant to this Confirmation.

Floating Rate Payer: Eirles Two Limited (**Seller**)

Fixed Rate Payer: Deutsche Bank AG, London Branch (**Buyer**)

Calculation Agent: Deutsche Bank AG, London Branch.

Any requirement for the Calculation Agent to consult with the parties to this Transaction stipulated in the Credit Derivatives Definitions shall not apply to this Transaction. The Calculation Agent shall have no responsibility for good faith errors or omissions in respect of any calculations or determinations contemplated herein, and its calculations and determinations shall, in the absence of manifest or proven error, be final, conclusive and binding on Party A and Party B. The Calculation Agent does not act as a fiduciary for, or as an adviser to, either party in respect of its duties as Calculation Agent hereunder. Whenever

the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation in its discretion.

Calculation Agent City:	London
Reference Portfolio:	This Transaction relates to a notional portfolio (the Reference Portfolio) comprising Reference Credit Agreements and Bond Reference Entities.
Reference Credit Agreement:	Each credit agreement specified as such in the Reference Register from time to time but subject to a Removal in full or in part of that Reference Credit Agreement. The Reference Credit Agreements as at the Effective Date shall also be specified in the Initial Portfolio Determination Notice.
Reference Entity:	<p>(e) As at the Effective Date, each entity set out in the Initial Portfolio Determination Notice and after the Effective Date each entity added to the Reference Portfolio as a result of any Ramp-up or Replenishment and, in each case, any Successor(s) (a Bond Reference Entity), but subject to a Removal of any such entity; and</p> <p>(f) in respect of any Reference Obligation relating to a Reference Credit Agreement, each entity that is, from time to time, a borrower, guarantor, obligor and/or other surety under and in accordance with the terms of any Reference Obligation, but excluding any Excluded Obligor and, for the avoidance of doubt, excluding any lender under the relevant Reference Credit Agreement, in each case as specified in the Reference Register (a Loan Reference Entity).</p>
	<p>The Successor provisions of Section 2.2 (Provisions for Determining a Successor) of the Credit Derivatives Definitions will apply to this Transaction in respect of Bond Reference Entities only but not otherwise.</p>
Excluded Obligor:	Any entity identified as such in the Reference Register or in accordance with the terms of "Merger of Reference Entity with Seller or Buyer" below that would otherwise be a Reference Entity.

Merger of Reference Entity with Seller or Buyer:

If (a) Seller or Buyer consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to a Reference Entity, (b) a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to Seller or Buyer or (c) Seller or Buyer and a Reference Entity become Affiliates (each a **Merger Event**, the date of such Merger Event, the **Merger Event Effective Date** and the Reference Entity in respect of which the Merger Event occurs, the **Merged Reference Entity**), then, unless Buyer notifies Seller that it does not wish the provisions of this paragraph to apply, Buyer may elect that either:

- (i) where that Merger Event occurs in respect of a Loan Reference Entity:
 - (A) the Reference Credit Agreement in respect of which the Merger Event has occurred shall be removed from the Reference Portfolio (which shall constitute a Removal for the purposes of this Transaction) with effect from the Merger Event Effective Date; or
 - (B) the Merged Reference Entity shall, with effect from the Merger Event Effective Date, constitute an **Excluded Obligor** in relation to the relevant Reference Credit Agreement; and
- (ii) where that Merger Event occurs in respect of a Bond Reference Entity, the relevant Reference Entity shall be removed from the Reference Portfolio (which shall constitute a Removal for the purposes of this Transaction) with effect from the Merger Event Effective Date.

The occurrence (and continuation) of a Suspension Event shall not prevent any election by Buyer to make a Removal pursuant to subparagraphs (i) and (ii) above, nor shall Buyer be required to comply with the provisions of Paragraph 9.4 when effecting any Removal pursuant to subparagraphs (i) and (ii) above although, for the avoidance of doubt, the Calculation Agent shall calculate a Trading Gain or Trading Loss in accordance with the provisions of Paragraph 9.4(c) below in respect of each Reference Credit Agreement or Bond Reference Entity that is Removed from the Reference Portfolio pursuant to subparagraph (i) or (ii) above.

For the avoidance of doubt:

- (x) Section 2.31 of the Credit Derivatives Definitions will not apply to this Transaction;
- (y) Buyer may make an election under subparagraph (i) or (ii) above on more than one occasion in

accordance with the provisions of this paragraph.

Benchmark Loan: Each Reference Obligation in respect of the relevant Reference Credit Agreement that is specified as such, from time to time, in the Reference Register.

Reference Obligations:

- (g) In respect of any Bond Reference Entity as at the Effective Date, the obligation set out in the Initial Portfolio Determination Notice with respect to that entity and, in respect of any Bond Reference Entity included in the Reference Portfolio after the Effective Date, the Bond specified in connection with the relevant Ramp-up, Replenishment or Bond Reference Obligation Adjustment, in each case subject to any Removal in full or in part of the relevant Bond Reference Entity (each a **Bond Reference Obligation**); and
- (h) each Existing Tranche and each New Tranche under a Reference Credit Agreement (each a **Loan Reference Obligation**).

For the avoidance of doubt:

- (i) a Loan Reference Obligation may comprise a credit facility with an undrawn commitment;
- (ii) an Existing Tranche comprising a revolving credit facility that is repaid and re-drawn pursuant to the terms of the Reference Credit Agreement will continue to be an Existing Tranche; and
- (iii) save in respect of Bond Reference Obligations, the provisions of Section 2.30 (*Substitute Reference Obligations*) will not apply and there shall be no Substitute Reference Obligations.

Existing Tranche: In respect of each Reference Credit Agreement, each loan tranche or facility (including a syndicated loan), revolving credit facility or other payment claim arising from a guarantee or similar arrangement (including a letter of credit) under or in respect of the relevant Reference Credit Agreement as at the Effective Date or, if the relevant Reference Credit Agreement was added to the Reference Portfolio after the Effective Date, the relevant Ramp-Up Date or Replenishment Date, that is in respect of:

- (a) a Senior and Secured RCA, Senior and Secured;
- (b) a Mezzanine/Second Lien RCA, Senior and Secured or which is a Mezzanine/Second Lien Tranche of that Reference Credit Agreement; or
- (c) a Senior Unsecured RCA, Senior.

New Tranche:	In respect of each Reference Credit Agreement, each additional facility or tranche of a facility which is made available on any date after the date that the relevant Reference Credit Agreement is added to the Reference Portfolio (each such date, an Additional Availability Date) under and in accordance with the terms of the relevant Reference Credit Agreement, that is, in the case of a Senior and Secured RCA or a Mezzanine/Second Lien RCA, secured by the same Security with priority in ranking at least equal to one or more of the Existing Tranches under the relevant Reference Credit Agreement, in each case as at the applicable Additional Availability Date, as determined by the Calculation Agent.
Trading Terms:	Each Bond Reference Entity shall be subject to the terms relating to the Reference Entity Category applicable to that Bond Reference Entity (the Trading Terms) as set out in Error! Reference source not found.
All Guarantees:	Applicable.
Initial Portfolio Notional Amount:	USD 1,000,000,000
Portfolio Notional Amount:	The Portfolio Notional Amount shall be, as at the Effective Date, the Initial Portfolio Notional Amount and, in respect of each day thereafter, the Outstanding Portfolio Notional Amount at the close of business on that day.
Portfolio Fixing Dates:	Each Business Day during the Term up to but excluding the Termination Date.
Maximum Portfolio Notional Amount:	On any day, the Base Portfolio Notional Amount on such day minus an amount equal to the Aggregate Applicable Loss Determination Amount as at such day.
Base Portfolio Notional Amount:	The Initial Portfolio Notional Amount or such lesser amount (if any) notified by the Calculation Agent in accordance with the terms of Paragraph 9.3 below.
Loss Limit:	An amount in USD equal to the Base Portfolio Notional Amount multiplied by 1.75 per cent.
Threshold Amount:	On any day, USD 85,000,000, subject to adjustment in accordance with the terms of this Transaction, including, without limitation, Paragraph 9 below.
Business Day Convention:	Modified Following
Business Days:	New York and London.

2. Fixed Payments:

Fixed Rate Payer Calculation Amount:	In respect of each Fixed Rate Payer Payment Date, the result of (a) the sum of the Class B Tranche Amounts on each day during the Fixed Rate Payer Calculation Period relating to the relevant Fixed Rate Payer Payment Date divided by (b) the number of days in the relevant Fixed Rate Payer Calculation Period.
Fixed Rate:	8.00 per cent. per annum.
Fixed Rate Day Count Fraction:	Actual/360
Fixed Rate Payer Payment Dates:	The fifth Business Day following each Fixed Rate Payer Period End Date, provided that the final Fixed Rate Payer Payment Date shall fall on the final Fixed Rate Payer Period End Date.
Fixed Rate Payer Period End Dates:	3 February, 3 May, 3 August and 3 November in each year, from and including 3 November 2006 to and including the Scheduled Termination Date.
Retention of Fixed Amounts:	<p>Notwithstanding anything to the contrary above, the parties acknowledge and agree that:</p> <ul style="list-style-type: none">(a) upon the occurrence of an Event Determination Date in respect of a Reference Obligation or a Reference Entity, Fixed Amounts will stop accruing on the Class B Tranche Amount to the extent that the Class B Tranche Amount is reduced following the determination of the relevant Applicable Loss Determination Amount and Recovery Balance; and(b) the Fixed Amount payable by Buyer in respect of a Fixed Rate Payer Calculation Period in accordance with the foregoing provisions of this Paragraph 2 (the Fixed Amount Calculation Provisions) cannot be determined until the Applicable Loss Determination Amount and Recovery Balance have been determined in respect of each Reference Credit Agreement or Bond Reference Entity in respect of which an Event Determination Date has occurred on or prior to the last day of such Fixed Rate Payer Calculation Period (each such Reference Obligation or Reference Entity from time to time in respect of which the corresponding Loss Determination Amount and Recovery Balance have not been determined, an Undetermined Obligation).(c) Accordingly, in circumstances where on the last day of a Fixed Rate Payer Calculation Period there are one or more Undetermined Obligations, a Fixed Amount shall not be payable on the

relevant Fixed Rate Payer Payment Date in accordance with the Fixed Amount Calculation Provisions. Instead:

- (i) on the related Fixed Rate Payer Payment Date, Buyer shall pay to Seller the Minimum Fixed Amount; and
- (ii) on the Fixed Rate Payer Payment Date following the determination of Loss Determination Amounts and Recovery Balances in respect of each Undetermined Obligation (the **Additional Payment Date**), Buyer shall pay to Seller the aggregate, with respect to each Fixed Rate Payer Calculation Period the Fixed Rate Payer Payment Date in respect of which falls in the relevant Deferral Period (and, in the case of any Additional Fixed Rate Payer Payment Date falling after the Scheduled Termination Date, the period from and excluding the Scheduled Termination Date to and including such Additional Fixed Rate Payer Payment Date) of (A) the related Fixed Amount Adjustment Payment and (B) the related Accrued Interest Amount with respect thereto.

Where:

Minimum Fixed Amount means, with respect to a Fixed Rate Payer Calculation Period, the Fixed Amount which would have been payable in relation thereto in accordance with the Fixed Amount Calculation Provisions if, on the relevant Fixed Rate Payer Payment Date, Applicable Loss Determination Amounts had been determined in respect of each such Undetermined Obligation on the basis that the Final Price of the related Valuation Obligation(s) had been zero.

Fixed Amount Adjustment Payment means, with respect to any Fixed Rate Payer Calculation Period, an amount equal to (a) the Fixed Amount which would have been payable in respect thereof in accordance with the Fixed Payment Amount Provisions on the Fixed Rate Payer Payment Date following the relevant Event Determination Date if each Applicable Loss Determination Amount relating to each Undetermined Obligation had been determined on the relevant Event Determination Date (based on the actual Final Price(s) relating thereto) minus (b) the Minimum Fixed Amount in respect thereof.

Accrued Interest Amount means with respect to a Fixed Amount Adjustment Payment and the Deferral Period, an amount calculated by the Buyer in its sole discretion equal to the product of (a) such Fixed Amount Adjustment Payment, (b) the Deferral Rate and (c) the

quotient of the actual number of days in such Deferral Period (as numerator) and 360 (as denominator).

Deferral Period means with respect to a Fixed Amount Adjustment Payment, the period from and including the first day of the Fixed Rate Payer Calculation Period in which the relevant Event Determination Date falls to but excluding the related Additional Payment Date.

Deferral Rate means with respect to any Fixed Amount Adjustment Payment and Deferral Period, an overnight rate of interest reset on each day and which shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner.

3. Floating Payments:

Floating Rate Payer Calculation Amount:

In relation to each Defaulted Bond Reference Entity, the Reference Entity Notional Amount relating to that Defaulted Bond Reference Entity as at the Event Determination Date.

In respect of each Defaulted Loan Asset, an amount equal to the Notional Amount corresponding to such Defaulted Loan Asset as at the Event Determination Date.

Conditions to Settlement:

In respect of any Reference Credit Agreement or Bond Reference Entity:

Credit Event Notice

Notice of Publicly Available Information: Applicable

Notifying Party: Buyer

Specified Number:

In respect of Reference Credit Agreements, one.

In respect of Bond Reference Entities, two.

Section 3.3 of the Credit Derivatives Definitions is amended by the insertion of the words "copied to S&P, provided that the Notifying Party shall not be obliged to provide such copy where any duty of confidentiality or other legal restriction applicable to the Notifying Party or any of its Affiliates would be contravened thereby" after the words "to the other party" and before the words "that describes a Credit Event" on the second line thereof.

In respect of Loan Reference Obligations only:

(a) Section 3.5 of the Credit Derivatives Definitions is amended by:

- (i) the addition of the words "servicer, facility agent, security agent," immediately before the word "trustee" on each of lines 8 and 11 of subparagraph (a) and on the second line of subparagraph (b) thereof; and
 - (ii) the insertion of the words ", save for the limitations on the disclosure of information by Buyer that are contained in the relevant Reference Credit Agreement, which each party acknowledges" at the end of paragraph (c) thereof; and
- (b) "Publicly Available Information" shall be deemed to include a certificate signed by a managing director (or other substantively equivalent title including a senior credit officer or a compliance officer) of Deutsche Bank AG, or a corporate trustee of international standing (which may include a corporate trustee associated or affiliated with Deutsche Bank AG), as selected by Buyer, and which in each case certifies the occurrence of a Credit Event with respect to the relevant Reference Obligation or Reference Entity, as the case may be. Buyer shall attach to any such certificate information that reasonably confirms the certification therein, provided that Buyer shall not be obliged to attach such information where any duty of confidentiality or other legal restriction applicable to Buyer or any of its Affiliates would be contravened thereby (save that Buyer shall use its best efforts to obtain any necessary consents in order to provide the information).

If Relevant Calculation Agent Personnel subsequently become aware that a Credit Event with respect to a Loan Reference Obligation or Loan Reference Entity, as the case may be, in respect of which a certificate delivered in accordance with (b) above did not in fact occur, the Calculation Agent shall deliver a notice to that effect to Seller and the Calculation Agent shall calculate the payments necessary to put the parties in the position that they would have been had the relevant certificate not been delivered. Buyer agrees to make such payments as are determined payable by it by the Calculation Agent under this paragraph promptly upon becoming aware of any such determination.

The parties agree that the Conditions to Settlement may be satisfied more than once under this Transaction; provided, however, that the Conditions to Settlement may be satisfied once only with respect to each Reference Credit Agreement or Bond Reference Entity.

Credit Events: In respect of any Bond Reference Entity and in respect of any Reference Credit Agreement:

Bankruptcy, provided that the fact that a DIP Collateral Obligation is subject to DIP Proceedings shall not constitute a Bankruptcy in relation to the relevant Reference Entity or Reference Entities for the purposes of this Transaction where such DIP Collateral Obligation was subject to DIP Proceedings at the time of its inclusion in the Reference Portfolio.

Failure to Pay

Payment Requirement:

In respect of Reference Credit Agreements, USD 250,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event provided that where the amount payable in respect of interest or principal on any particular interest, repayment or prepayment date is a lesser amount, the Payment Requirement shall be such lesser amount or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event.

In respect of Bond Reference Entities, USD 1,000,000 or its equivalent in the relevant Obligation Currency as at the occurrence of the relevant Credit Event.

The irrevocable cancellation, repudiation or termination of any Reference Obligation that is a DIP Collateral Obligation at the direction of a court of law during relevant legal proceedings shall be deemed to constitute a Failure to Pay.

For the avoidance of doubt, the occurrence of a Credit Event in respect of any Loan Reference Entity shall constitute a Credit Event in respect of the relevant Reference Credit Agreement for the purposes of this Transaction.

Grace Period Extension: Not Applicable

Multiple Holder Obligation: Not Applicable.

Obligations: In respect of each Loan Reference Entity, Reference Obligations Only.

In respect of each Bond Reference Entity, any obligation that either:

- (a) is a Bond Reference Obligation relating to that Bond Reference Entity; or
- (b) falls within the Obligation Category and satisfies the Obligation Characteristics as set out in the Trading Terms applicable to that

Bond Reference Entity, as determined by Buyer in its sole and absolute discretion.

Excluded Obligations: None

4. Settlement Terms:

Settlement Method: Cash Settlement.

Cash Settlement Amount: With respect to each Defaulted Loan Asset, each Defaulted Bond Reference Entity and each Trading Payment, the lesser of:

- (a) the relevant Applicable Loss Determination Amount;
- (b) the greater of (i) zero and (ii) the Aggregate Applicable Loss Determination Amount on the relevant Cash Settlement Date less the Threshold Amount; and
- (c) the Class B Tranche Amount on the relevant Cash Settlement Date,

provided that in no event shall the sum of all Cash Settlement Amounts paid by Seller exceed the Loss Limit.

Loss Determination Amount: With respect to:

- (a) each Defaulted Bond Reference Entity and each Defaulted Loan Asset, the greater of:
 - (i) the Floating Rate Payer Calculation Amount multiplied by a percentage equal to the result of:
 - (A) 100; minus
 - (B) the average of the Final Prices in respect of each Valuation Obligation relating to that Defaulted Bond Reference Entity or Defaulted Loan Asset, as applicable, weighted by the Quotation Amounts of those Valuation Obligations; and
 - (ii) zero; and
- (b) each Trading Payment, the corresponding amount determined in accordance with Paragraph 9.7(c)(v) below.

Each Loss Determination Amount in respect of a Defaulted Bond Reference Entity or a Defaulted Loan Asset shall be calculated on the date on which the Final

Prices for all Valuation Obligations relating to the relevant Defaulted Bond Reference Entity or Defaulted Loan Asset have been determined, and will be effective as of the Event Determination Date with respect to that Bond Reference Entity or Reference Credit Agreement, as the case may be.

Aggregate Applicable Loss
Determination Amount: On any day, an amount equal to the sum of all Applicable Loss Determination Amounts which have been determined with respect to all Defaulted Bond Reference Entities, Defaulted Loan Assets, and Trading Payments on and prior to the relevant day.

Recovery Balance: With respect to a Defaulted Bond Reference Entity or a Defaulted Loan Asset, an amount equal to the excess (if any) of the relevant Floating Rate Payer Calculation Amount over the relevant Applicable Loss Determination Amount.

Valuation Time: A time determined by the Calculation Agent in a commercially reasonable manner.

Valuation Date: Single Valuation Date.

With respect to each Valuation Obligation relating to a Defaulted Bond Reference Entity or a Defaulted Loan Asset, the Valuation Date shall be a date selected by Buyer in its sole and absolute discretion and falling:

- (a) not less than 45 Business Days following the relevant Event Determination Date; and
- (b) not more than:
 - (i) 140 Business Days following the relevant Event Determination Date in the case of a Valuation Obligation Relating to a Defaulted Bond Reference Entity; and
 - (ii) 750 Business Days following the relevant Event Determination Date in the case of a Valuation Obligation Relating to a Defaulted Loan Asset.

Quotation Method: Bid.

Quotation Amount: (a) In the case of a Defaulted Bond Reference Entity and a Valuation Obligation, the notional amount selected by Buyer in good faith and a commercially reasonable manner in respect of such Valuation Obligation (the **Valuation Obligation Notional Amount**), provided that the notional amount of any single Valuation Obligation relating to a Defaulted Bond Reference Entity shall not exceed USD 20,000,000.

- (b) In the case of a Defaulted Loan Asset and a Valuation Obligation, the notional amount (including both drawn and undrawn commitments) selected by Buyer in good faith and a commercially reasonable manner in respect of that Valuation Obligation (also the **Valuation Obligation Notional Amount**), provided that the notional amount of any single Valuation Obligation relating to a Defaulted Loan Asset shall not exceed USD 20,000,000.
- Minimum Quotation Amount: (a) In the case of a Defaulted Bond Reference Entity, USD 1,000,000.
- (b) In the case of a Defaulted Loan Asset, the lower of USD 500,000 and the aggregate outstanding total available commitment under and in accordance with the terms of the relevant Valuation Obligation (or its equivalent in the relevant Obligation Currency)
- Dealers: A dealer in obligations of the type of obligations for which Quotations are to be obtained. The Dealers shall be selected by the Calculation Agent or, as the case may be, the Quotation Calculation Agent (as defined below) in a commercially reasonable manner, provided that Deutsche Bank AG, London Branch shall in all cases be one of the selected Dealers.
- Any quotation provided by Deutsche Bank AG, London Branch which is equal to the firm quotation that Deutsche Bank AG, London Branch would provide to a counterparty in the market, as determined in good faith, shall be deemed to be a firm quotation.
- Settlement Currency: USD.
- Cash Settlement Date: With respect to:
- (a) each Defaulted Bond Reference Entity and each Defaulted Loan Asset, three Business Days after the calculation of the Final Price for the last Valuation Obligation relating to that entity or asset, as applicable, in respect of which a Final Price is calculated; and
- (b) each Trading Payment, two Business Days following the date that such Trading Payment is determined in accordance with the provisions of Paragraph 9.7(c)(v) below.
- Valuation Obligations: Each Final Price shall be established by the Calculation Agent in respect of Quotations obtained in respect of Valuation Obligations (rather than Reference Obligations) and the Credit Derivatives Definitions shall

be interpreted accordingly.

Quotations:

Section 7.7 of the Credit Derivatives Definitions shall be deleted in its entirety and replaced with the following:

Quotation means each Full Quotation and Weighted Average Quotation obtained with respect to a Valuation Date, and expressed as a percentage, in the manner set out below.

- (a) In respect of each Valuation Obligation, the Calculation Agent shall attempt to obtain Full Quotations with respect to the Valuation Date (or a day falling as near as possible to the Valuation Date) from five or more Dealers. If at least two Full Quotations are not available within three Business Days of the Valuation Date (and, in the case of Quotations obtained in respect of a Valuation Obligation relating to a Defaulted Bond Reference Entity, each such Quotation must be obtained in respect of the same such day), then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date, such tenth Business Day being the **Interim Quotation Date**) the Calculation Agent shall attempt to obtain Full Quotations from five or more Dealers and, if at least two Full Quotations are not available, a Weighted Average Quotation.
- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation in accordance with paragraph (a) above, then the Calculation Agent shall use its reasonable efforts to appoint a Dealer other than the Calculation Agent or any Affiliate of the Calculation Agent (the **Quotation Calculation Agent**) not more than five Business Days after the Interim Quotation Date (the date of such appointment being the **Quotation Calculation Agent Appointment Date** for that Valuation Date).
- (c) If the Calculation Agent appoints a Quotation Calculation Agent pursuant to paragraph (b) above, the Quotation Calculation Agent shall attempt to obtain Full Quotations with respect to the Quotation Calculation Agent Appointment Date from five or more Dealers. If the Quotation Calculation Agent is unable to obtain two or more such Full Quotations within three Business Days of the relevant Quotation Calculation Agent Appointment Date (and, in the case of Quotations obtained in respect of a Valuation Obligation relating to a Defaulted Bond Reference Entity,

each such Quotation must be obtained in respect of the same such day), then on the next following Business Day (and, if necessary on each Business Day thereafter until the fifth Business Day following the relevant Quotation Calculation Agent Appointment Date (such fifth Business Day being the **Final Quotation Date**)) the Quotation Calculation Agent shall attempt to obtain Full Quotations from five or more Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation. If the Quotation Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day within five Business Days of the relevant Quotation Calculation Agent Appointment Date, the Quotations for the relevant Valuation Date shall be deemed to be any Full Quotation obtained from a Dealer on the Final Quotation Date, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Valuation Obligation obtained from Dealers on the Final Quotation Date (for which purpose the weight applicable to each firm quotation shall be that part of the Quotation Amount for which such quotation was obtained and a firm quotation of zero shall be deemed to have been obtained with respect to that part of the Quotation Amount for which firm quotations were not obtained). If the Quotation Calculation Agent is unable to obtain any Full Quotation or any other firm quotations on the Final Quotation Date, the Quotations for the relevant Valuation Date shall be as determined by the Calculation Agent (which determination may, for the avoidance of doubt, be equal to zero).

- (d) In the event that the Calculation Agent is unable to appoint a Quotation Calculation Agent pursuant to paragraph (b) above, and the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation in respect of the same Business Day within ten Business Days of the relevant Valuation Date, then the Quotations for the relevant Valuation Date shall be zero.

All Quotations shall Exclude Accrued Interest.

Quotations in respect of Valuation Obligations relating to Defaulted Loan Assets:

In obtaining Quotations in respect of a Valuation Obligation relating to a Defaulted Loan Asset:

- (a) the Calculation Agent may (but is not obliged to) obtain Quotations from Dealers on the basis that a Dealer may enter into a sub-participation in relation to the relevant

Valuation Obligation;

- (b) where a Valuation Obligation comprises, in whole or in part, an undrawn commitment, the Quotation in respect of that undrawn commitment will be expressed to be a Quotation of the implicit price of that commitment were it to be drawn in full (regardless of whether such drawing is permitted or possible as at the relevant Valuation Date); and
- (c) the Calculation Agent shall, subject to applicable confidentiality obligations, provide to each Dealer such part of the legal documentation relating to such loan as it considers that Dealer should reasonably require to be able to give a firm bid quotation with respect thereto.

Valuation Method:

Notwithstanding anything to the contrary in Section 7.5 of the Credit Derivatives Definitions, the Valuation Method shall be Highest.

In respect of each Valuation Obligation relating to a Defaulted Bond Reference Entity or a Defaulted Loan Asset, **Highest** means the highest Quotation obtained by the Calculation Agent (or in accordance with Section 7.7(b) or 7.7(c) of the Credit Derivatives Definitions (as amended herein)) in respect of that Valuation Obligation on any Valuation Date.

Notice and Account Details:

Contact Details for Notices:

Buyer:

Deutsche Bank AG, London branch

Winchester House

1 Great Winchester Street

London EC2N 2DB

Attention: Mr. Alex Graham

Telephone: +44(20)754-52751

Facsimile: + 44 (20) 754-71143

Email: alex.graham@db.com

Seller:

Eirles Two Limited Series 263

5 Harbourmaster Place

Dublin 1

Ireland

Attention: The Directors

Telephone: 00 353 1 672 0398

Facsimile: 00 353 1 672 0482

Account Details

Account Details of Buyer: Deutsche Bank Aktiengesellschaft, Frankfurt

SWIFT Code: DEUTDEFF

Account Number: 925799900

Favour: Deutsche Bank AG, London Branch

Account Details of Seller: Deutsche Bank Aktiengesellschaft, Frankfurt

SWIFT Code: DEUTDEFF

Account Number: 9258153

Favour: Eirles Two Limited Series 263

Offices:

Buyer: London

Seller: 5 Harbourmaster Place, Dublin 1, Ireland

5.1 Ramp-Up Early Termination

Buyer has the option, in its sole and absolute discretion, to terminate this Transaction on any Portfolio Fixing Date from but excluding the Effective Date to and including the Portfolio Completion Date (which date shall, upon such a designation by Buyer, constitute the **Ramp-Up Optional Early Termination Date**) by giving not less than ten Business Days' prior notice to Seller with a copy to S&P (provided that Buyer's failure to deliver such a copy will not affect the effectiveness of the notice to Seller) without prejudice to any obligations of the parties to perform their remaining obligations in accordance with the terms of this Confirmation.

5.2 Optional Early Termination

Buyer has the option to terminate this Transaction in its sole and absolute discretion on the last Portfolio Fixing Date in any calendar month from and including the last Portfolio Fixing Date falling in August 2009 to and including the Scheduled Termination Date (which date

shall, upon such a designation by Buyer, constitute the **Optional Early Termination Date** by giving not less than ten Business Days' prior written notice to Seller with a copy to S&P (provided that Buyer's failure to deliver such a copy will not affect the effectiveness of the notice to Seller) without prejudice to any obligations of the parties to perform their remaining obligations in accordance with the terms of this Confirmation.

6. Consequences of Early Termination

If an option is exercised under Paragraph 5.1 or Paragraph 5.2 above, neither party shall have any further payment obligations under or in respect of this Transaction, except:

- (a) that any rights and obligations of the parties that have accrued prior to the Optional Early Termination Date or the Ramp-Up Optional Early Termination Date shall survive that date; and
- (b) that Seller and Buyer shall fulfil their obligations in respect of any Cash Settlement Amount in respect of a Defaulted Bond Reference Entity or a Defaulted Loan Asset for which the related Event Determination Date occurred prior to the Optional Early Termination Date or the Ramp-Up Optional Early Termination Date, as the case may be.

7. Termination Upon Purchase of Notes

If Seller purchases any Notes held by Buyer in accordance with Condition 8.5, all or part of this Transaction will, on the date of such purchase, terminate and the obligations of the parties hereunder will terminate, in proportion with the proportion that the aggregate Outstanding Principal Amount of the Notes so purchased bears to the aggregate Outstanding Principal Amount of the Notes immediately prior to such purchase. Such termination shall take effect through the reduction of amounts and ledgers under this Transaction, including, without limitation, to the Ledger A Balance, the Ledger B Balance, the Threshold Amount, the Loss Limit, the Portfolio Notional Amount, each Reference Entity Notional Amount, the Notional Amount of each Reference Credit Agreement, the Trading Ledger, the Aggregate Applicable Loss Determination Amount and the Class Tranche Amounts by multiplying each such amount immediately prior to the relevant purchase of Notes by the result of the aggregate Outstanding Principal Amount of the Notes as a result of such purchase divided by the aggregate Outstanding Principal Amount of the Notes immediately prior to such purchase. In the event of a partial termination on the terms described in this Paragraph 7, Buyer shall inform S&P of the occurrence of such partial termination within 90 Business Days.

8. Termination Upon Termination of Asset Swap

If the Asset Swap terminates pursuant to:

- (a) Clause 3.2 of the confirmation in relation thereto, this Transaction will terminate and no further payments (including any payments in respect of Section 6(e) of the Agreement or any other obligation) will become due from one party to the other in respect of this Transaction, but without prejudice to any amounts which were due but unpaid at the time of such termination; or
- (b) Clause 3.3 of the confirmation in relation thereto, this Transaction will terminate and a termination payment may be payable from one party to the other in accordance with Section 6(e) of the Agreement.

9. The Reference Portfolio

9.1 General

The Reference Portfolio shall consist of Reference Credit Agreements and Bond Reference Entities.

The Reference Portfolio shall be comprised as follows:

- (a) on the Effective Date, by the Reference Credit Agreements and the Bond Reference Obligations identified in the Initial Portfolio Determination Notice (the **Initial Reference Portfolio**); and
- (b) as of any date after the Effective Date, the Initial Reference Portfolio as adjusted in accordance with the terms of this Confirmation and, in particular, taking into account any Ramp-Up, Replenishment or Removal that has been effected pursuant to the provisions of Paragraphs 9.3, 9.4 and 9.5 below.

Any increase in the outstanding principal amount of a Benchmark Loan or a Bond Reference Obligation shall not increase the Notional Amount relating to the corresponding Reference Credit Agreement or the Reference Entity Notional Amount, as the case may be, unless such an increase is effected in accordance with the Ramp-Up or Replenishment provisions of this Transaction.

The Calculation Agent shall monitor the Reference Portfolio and determine whether any Amortisation Event or Prepayment Event has occurred in respect of any Benchmark Loan or Bond Reference Obligation and, if applicable, determine the related Amortisation Amount or Prepayment Amount.

9.2 Reference Register

The Calculation Agent shall maintain the Reference Register and shall update the Reference Register to reflect adjustments to the composition of the Reference Register. The Reference Register shall contain the following information:

- (a) an identification of each Reference Credit Agreement and each Bond Reference Entity (which may be by way of a reference number or in any other way as deemed necessary by the Calculation Agent to ensure that any legal and contractual requirements to which Buyer is subject are complied with);
- (b) in respect of each Reference Credit Agreement:
 - (i) an identification of the Benchmark Loan (which may be by way of a reference number or in any other way as deemed necessary by the Calculation Agent to ensure that any legal and contractual requirements to which Buyer is subject are complied with);
 - (ii) the Notional Amount;
 - (iii) the Initial Price of the Benchmark Loan;
 - (iv) the Weighted Average Maturity of the Benchmark Loan;
 - (v) the Maturity Cap of the Benchmark Loan;
 - (vi) the Scheduled Maturity of the Benchmark Loan;
 - (vii) the Key Entity;
 - (viii) the S&P Rating;
 - (ix) each Excluded Obligor (if any);
 - (x) the Industry Classification by S&P;
 - (xi) the Loan Type of the Benchmark Loan;
 - (xii) the Coupon relating to the Benchmark Loan;
 - (xiii) the issue date of the Benchmark Loan;
 - (xiv) whether it is a Permitted Consent RCA;
 - (xv) whether it is a Permitted Currency RCA; and
 - (xvi) the Loan Classification,

- relating to the relevant Reference Credit Agreement; and
- (c) in respect of each Bond Reference Entity:
- (i) an identification of the Bond Reference Obligation (including ISIN or CUSIP if applicable);
 - (ii) the Reference Entity Notional Amount;
 - (iii) the Initial Price;
 - (iv) the Weighted Average Maturity of the Bond Reference Obligation;
 - (v) the Scheduled Maturity of the Bond Reference Obligation;
 - (vi) the S&P Rating, if any, of the Bond Reference Entity;
 - (vii) the Industry Classification by S&P
 - (viii) the currency of denomination of the Bond Reference Obligation;
 - (ix) the Maturity Cap; and
 - (x) the Bond Classification,
- relating to the relevant Bond Reference Entity.

Neither the Calculation Agent nor the Buyer shall not be obliged to disclose to Seller the contents of the Reference Register where any duty of confidentiality or other legal restriction applicable to the Calculation Agent, Buyer or any of its Affiliates would be contravened by that disclosure.

9.3 Ramp-Ups

On each Portfolio Fixing Date up to and including the earlier of the last Portfolio Fixing Date falling in August 2007 and the date on which the Portfolio Reference Amount first equals the Base Portfolio Notional Amount (such date, the **Portfolio Completion Date**, such period, the **Ramp-Up Period** and the date of any designation a **Ramp-Up Date**), Buyer may designate additional Reference Credit Agreements and/or Bond Reference Entities to form part of the Reference Portfolio (each such designation a **Ramp-Up**) provided that:

- (a) the sum of (i) the Portfolio Notional Amount and (ii) the Aggregate Applicable Loss Determination Amount on the relevant day following each Ramp-Up is no greater than the Maximum Portfolio Notional Amount;
- (b) each Reference Credit Agreement or Bond Reference Entity so designated for inclusion must comply with the Eligibility Criteria as at the relevant Ramp-Up Date; and
- (c) on each Ramp-Up Date, the Reference Portfolio must pass the S&P Model Test.

For the avoidance of doubt, a Ramp-Up may be effected by increasing the Notional Amount relating to a Reference Credit Agreement or Bond Reference Entity already comprised in the Reference Portfolio, provided that the requirements listed above are satisfied in respect of the increased amount of the Notional Amount of the relevant Reference Credit Agreement or the Reference Entity Notional Amount, as applicable.

If the conditions set out above are not satisfied in respect of any Ramp-Up, such Ramp-Up shall be deemed not to have occurred.

On any Portfolio Fixing Date during the Ramp-Up Period, Buyer may deliver a notice (a **Base Portfolio Notice**, and the Portfolio Fixing Date upon which any such notice is effective, a **Base Portfolio Notice Date**) to Seller and the Calculation Agent specifying a new Base Portfolio Notional Amount, provided that:

- (i) such amount may not exceed the Initial Portfolio Notional Amount; and

- (ii) such amount may not be less than the Outstanding Portfolio Notional Amount immediately following the reduction thereof by the corresponding Portfolio Reduction Amount on the relevant Base Portfolio Notice Date, pursuant to the provisions of Paragraph 9.8(a).

Subject to satisfaction of the conditions set out in subsections (i) and (ii) above, the amount specified in a Base Portfolio Notice shall constitute the Base Portfolio Notional Amount with effect from the relevant Base Portfolio Notice Date. On each Base Portfolio Notice Date, the Calculation Agent shall make the appropriate adjustments to the amounts under this Transaction, including, without limitation, each of (i) the Threshold Amount and (ii) the Class Tranche Amounts.

9.4 Removals

(a) Removals prior to the end of the Reinvestment Period

Buyer may remove the whole or any part of a Reference Credit Agreement or Bond Reference Entity from the Reference Portfolio (a **Removal**, and the term **Removed** shall refer to any Reference Credit Agreement or Bond Reference Entity or any portion of a Reference Credit Agreement or Bond Reference Entity, that is the subject of a Removal in accordance with the terms of this Transaction) on any Portfolio Fixing Date (each such date upon which a Removal is effected, a **Removal Date**) after the Effective Date to and excluding the last Portfolio Fixing Date falling in August 2011, provided that:

- (i) in respect of any Removal that is effected on or after the Portfolio Completion Date, save where the relevant Removal is of a Reference Credit Agreement or Bond Reference Entity in full that is subject to an Amendment Event, a Credit-improvement Event or a Credit-impairment Event as at the relevant Removal Date, the Reference Portfolio Guidelines must be met in respect of the Reference Portfolio on the relevant Removal Date, or, where the Reference Portfolio is not in compliance with the Reference Portfolio Guidelines immediately prior to the relevant Removal, such Removal must not worsen any non-compliance with the Reference Portfolio Guidelines at such time, taking into account (A) the Reference Credit Agreement or Bond Reference Entity that is the subject of the Removal, (B) any other Reference Credit Agreement(s) or Bond Reference Entity(ies) Removed on such Removal Date pursuant to this Paragraph 9.4 (other than each Reference Credit Agreement or Bond Reference Entity that is Removed in full and on the Removal Date is subject to an Amendment Event, a Credit-improvement Event or a Credit-impairment Event), and (C) any Reference Credit Agreement(s) or Bond Reference Entity(ies) added to the Reference Portfolio on such Removal Date pursuant to the terms of this Confirmation;
- (ii) on any Removal Date where the corresponding Removal is of a Reference Credit Agreement or Bond Reference Entity other than a Reference Credit Agreement or Bond Reference Entity that is subject to a Credit-impairment Event (including, for the avoidance of doubt, where a Reference Credit Agreement or a Bond Reference Entity is subject to an Amendment Event at the relevant time) as at the relevant Removal Date, the Reference Portfolio must pass the S&P Model Test;
- (iii) the ability of Buyer to effect a Removal pursuant to this Paragraph 9.4 shall be suspended (other than in respect of a Reference Credit Agreement or Bond Reference Entity that is removed in full and is subject to an Amendment Event on the relevant Removal Date) upon the occurrence and during the continuation of a Suspension Event, unless such Removal would cure the Suspension Event or otherwise agreed by Seller in its sole and absolute discretion; and
- (iv) in each year during the Term (measured by reference to each anniversary of the Effective Date, each such date, an **Anniversary Date**), and save as provided otherwise in this Confirmation, Buyer's ability to effect Removals (disregarding for these purposes Removals in respect of the full Notional Amount of any Reference

Credit Agreement or Bond Reference Entity that is subject to an Amendment Event, a Credit-improvement Event or a Credit-impairment Event) is limited to Reference Credit Agreements with an aggregate Notional Amount of up to 20 per cent. of the Portfolio Notional Amount on the immediately preceding Anniversary Date (or, if none, the Effective Date), and Buyer may not effect any Removals (other than the Removal in full of a Reference Credit Agreement or Bond Reference Entity that is subject to an Amendment Event, a Credit-improvement Event or a Credit-impairment Event) in excess of that amount in the relevant year.

If the conditions set out above are not satisfied in respect of any Removal, and save as expressly provided otherwise, such Removal shall be deemed not to have occurred.

(b) **Removals after the end of the Reinvestment Period**

On any Portfolio Fixing Date (each a **Removal Date**) from and including the last Portfolio Fixing Date falling in August 2011 to and including the Scheduled Termination Date, Buyer may remove (in whole but not in part):

- (i) any Reference Credit Agreement or Bond Reference Entity that is subject to a Credit-impairment Event;
- (ii) any Reference Credit Agreement or Bond Reference Entity that is subject to a Credit-improvement Event; or
- (iii) any Reference Credit Agreement or Bond Reference Entity that is subject to an Amendment Event,

from the Reference Portfolio (each a **Removal**), in each case subject to the applicable conditions set out in Paragraph 9.4(a) above.

(c) **General provisions relating to maintenance of Ledgers**

- (i) The Calculation Agent shall calculate a Trading Gain or a Trading Loss in respect of each Removal effected in accordance with this Transaction as of the relevant Removal Date in accordance with Paragraph 9.7 below and shall notify Seller and Buyer of such amount as soon as is practicable following such calculation.
- (ii) For the avoidance of doubt, the term "Removal" does not include any Reference Credit Agreement or Bond Reference Entity (or a portion thereof, in either case) that is deemed no longer to form part of the Reference Portfolio due to the occurrence of an Amortisation Event and/or a Prepayment Event, an Event Determination Date, or pursuant to Paragraph 10 below.

9.5 Replenishments

Ledger A and Ledger B shall be maintained in accordance with the terms of Paragraph 9.9 below to enable the Calculation Agent to determine the total notional amount available at any given time to Buyer to replenish the Reference Portfolio following the occurrence of certain events or the removal of certain Reference Credit Agreements or Bond Reference Entities from the Reference Portfolio under the terms of this Transaction. Replenishments of the relevant amounts shall be effected in accordance with the terms of this Paragraph 9.5 and Paragraph 9.9 below.

On each Portfolio Fixing Date from and including the Effective Date to and including the final Portfolio Fixing Date (each a **Replenishment Date**), Buyer may add one or more new Reference Credit Agreements or Bond Reference Entities to the Reference Portfolio (or increase the Notional Amount in respect of an existing Reference Credit Agreement or Bond Reference Entity) (each a **Replenishment**), in each case provided that:

- (a) the Eligibility Criteria are met in respect of the designated Reference Credit Agreement or Bond Reference Entity as at the relevant Replenishment Date;
- (b) in respect of any Replenishment that is effected on or after the Portfolio Completion Date, the Reference Portfolio Guidelines are met in respect of the Reference

Portfolio upon the relevant Replenishment Date or, where the Reference Portfolio is not in compliance with the Reference Portfolio Guidelines immediately prior to the relevant Replenishment, such Replenishment must not increase the degree of non-compliance with the Reference Portfolio Guidelines at such time, taking into account (i) the Reference Credit Agreement or Bond Reference Entity that is the subject of the Replenishment, (ii) any other Reference Credit Agreement(s) or Bond Reference Entity(s) in respect of which a Replenishment is effected on such Replenishment Date pursuant to this Paragraph 9.5, (iii) any Ramp-Up that is effected on such Replenishment Date pursuant to Paragraph 9.3 and (iv) any Removal of any Reference Credit Agreement(s) or Bond Reference Entity(s) on such Replenishment Date pursuant to Paragraph 9.4), provided that this sub-section (b) shall not apply to any Replenishment effected in respect of a Substitute Credit Agreement, as long as the Substitution Conditions (as defined in sub-section (f) below) are met in respect of the relevant Substitute Credit Agreement;

- (c) upon each Replenishment that is not a Substitution that complies with the Substitution Conditions, the Reference Portfolio must pass the S&P Model Test;
- (d) upon the occurrence and during the continuation of a Suspension Event, the ability of Buyer to effect Replenishments pursuant to this Paragraph 9.5 in respect of the Ledger B Balance (if any) shall be suspended (unless otherwise agreed by Seller in its sole and absolute discretion);
- (e) the aggregate of the Notional Amounts in respect of Reference Credit Agreements, and Reference Entity Notional Amounts in respect of Bond Reference Entities (or, in each case, the portions thereof) that are the subject of a Replenishment on any given Portfolio Fixing Date (i) during the Reinvestment Period may not exceed the sum of the Ledger A Balance and the Ledger B Balance on such date, and (ii) after the Reinvestment End Date, may not exceed the Ledger A Balance on such date; and
- (f) in relation only to each Replenishment in respect of a Reference Credit Agreement in relation to which one or more Prepayment Events have occurred (whether or not as a result of such Prepayment Event(s) the Notional Amount of such Reference Credit Agreement has been reduced to zero) by way of Buyer adding a Substitute Credit Agreement to the Reference Portfolio (each such Replenishment, a **Substitution**):
 - (i) without prejudice to sub-section (e) above, the Notional Amount in respect of the relevant Substitute Credit Agreement is no greater than an amount equal to the aggregate of all Prepayment Amounts credited to Ledger A in respect of the Reference Credit Agreement that was subject to the relevant Prepayment Event(s) since the inclusion of that Reference Credit Agreement in the Reference Portfolio (such amount in each case, the relevant **Substitution Amount**) to the extent that the relevant Substitution Amount has not previously been applied to effect a Substitution under this Paragraph 9.5;
 - (ii) the S&P Rating of the relevant Substitute Credit Agreement on the relevant Replenishment Date is no lower than the S&P Rating of the Reference Credit Agreement in respect of which the relevant Prepayment Event(s) occurred as at the Reduction Date relating to the latest such Prepayment Event (the **Rating Condition**); and
 - (iii) the Weighted Average Maturity of the Benchmark Loan designated in respect of the Substitute Credit Agreement on the applicable Replenishment Date does not exceed the Automatic Replenishment Maturity,(the conditions in (i), (ii) and (iii) together the **Substitution Conditions**).

If the conditions set out in sub-sections (a) to (e) above are not satisfied in respect of any Replenishment, save for the exemption from (b) in respect of Substitutions that comply with the Substitution Conditions, such Replenishment shall be deemed not to have occurred. For the avoidance of doubt, if any Substitution does not comply with the Substitution Conditions, Buyer may effect a Replenishment in respect of the relevant Substitute Credit Agreement provided that all of the conditions set out in sub-sections (a) to (e) above are satisfied.

9.6 Peripheral Adjustments

At any time during the Term, Buyer may elect, by notice in writing to Seller, to:

- (a) substitute the Benchmark Loan in respect of a Reference Credit Agreement with any other Reference Obligation relating to the relevant Reference Credit Agreement (each such substitution, a **Loan Adjustment**, and each Benchmark Loan added pursuant to a Loan Adjustment, a **Substitute Benchmark Loan**);
- (b) substitute the Bond Reference Obligation in respect of a Bond Reference Entity with any other obligation that falls within the Deliverable Obligation Category and has the Deliverable Obligation Characteristics as set out in the Trading Terms for that Bond Reference Entity (each such substitution, a **Bond Reference Obligation Adjustment**, and each such obligation added pursuant to a Bond Reference Obligation Adjustment as a Bond Reference Obligation, a **Substitute Bond Reference Obligation**); and/or
- (c) change the Maturity Cap in respect of a Benchmark Loan and the corresponding Reference Credit Agreement or in respect of a Bond Reference Entity (each such adjustment, a **Cap Adjustment**, and, in each case, the relevant Benchmark Loan or Bond Reference Obligation in respect of which a Cap Adjustment is effected, the **Adjusted Obligation**),

with the corresponding Loan Adjustment, Bond Reference Obligation Adjustment and/or Cap Adjustment, as the case may be, (collectively **Adjustments** and each an **Adjustment**) to be deemed effective on the date that the relevant notice is effective (each such date, an **Adjustment Date**), provided, in each case, that following the relevant Adjustment, the Eligibility Criteria must be satisfied in respect of the relevant Reference Credit Agreement or Bond Reference Entity, and further provided that:

- (i) the number of times that Buyer may exercise its option to effect Adjustments is unlimited, including with respect to Reference Credit Agreements and Bond Reference Entities in respect of which an Adjustment has already been made; and
- (ii) Buyer may effect a Loan Adjustment and a Cap Adjustment, or a Bond Reference Obligation Adjustment and a Cap Adjustment, simultaneously in respect of the same Reference Credit Agreement or Bond Reference Entity, as the case may be,

and, as at the relevant Adjustment Date, any such Adjustment shall have no effect on the composition of the Reference Portfolio and shall not constitute a Ramp-up, Removal or Replenishment provided that the Weighted Average Maturity of the relevant Substitute Benchmark Loan or Substitute Bond Reference Obligation and/or Adjusted Obligation (as the case may be) does not exceed the Automatic Replenishment Maturity on the applicable Adjustment Date (the **WAM Condition**).

If, in respect of any Adjustment, the WAM Condition is not satisfied, Buyer may only effect such Adjustment by way of a Removal and a Replenishment in respect of the relevant Reference Credit Agreement or Bond Reference Entity, in each case provided that the applicable conditions set out in Paragraphs 9.4 and 9.5 are satisfied in relation to such Removal and Replenishment.

Immediately following each Adjustment, the Calculation Agent shall make the necessary adjustments to the Reference Register, including but not limited to:

- (A) in respect of each Adjustment, amending the Weighted Average Maturity and the Scheduled Maturity to reflect the details of the relevant Substitute Benchmark Loan or Substitute Bond Reference Obligation, and adjusting the Initial Price as set out below; and
- (B) in respect of any Cap Adjustment, amending the Maturity Cap.

Upon the occurrence of:

- I. a Loan Adjustment, the Initial Price relating to the relevant Reference Credit Agreement shall be adjusted so as to be the sum, subject to a minimum of zero, of:
 - (x) the offer price of the relevant Substitute Benchmark Loan; and
 - (y) the result of:
 - (aa) the Initial Price in respect of the Reference Credit Agreement immediately prior to the relevant Loan Adjustment; minus
 - (bb) the bid price of the Benchmark Loan that is being substituted, immediately prior to the relevant Loan Adjustment; and
- II. a Bond Reference Obligation Adjustment, the Initial Price relating to the relevant Bond Reference Entity shall be adjusted so as to be the sum, subject to a minimum of zero, of:
 - (x) the offer price of the relevant Substitute Bond Reference Obligation; and
 - (y) the result of:
 - (aa) the Initial Price in respect of the Bond Reference Entity immediately prior to the relevant Bond Reference Obligation Adjustment; minus
 - (bb) the bid price of the Bond Reference Obligation that is being substituted, immediately prior to the relevant Bond Reference Obligation Adjustment,

with prices in all cases as determined by Buyer in a commercially reasonable manner. For the avoidance of doubt no Trading Payment will be deemed to result from the adjustment of the Initial Price in accordance with this Paragraph 9.6.

9.7 Adjustment to Initial Price and Calculation of Trading Losses and Trading Gains following Removals

(a) Initial Price

- (i) In respect of each Reference Credit Agreement, **Initial Price** means:
 - if, on the Relevant Date:
 - (A) an offer price is available from Markit or any other entity that is or becomes established as a source of information relating to the prevailing market value of obligations of the type of the Loan Reference Obligations, as determined by the Calculation Agent, in respect of the relevant Benchmark Loan (such offer price, a **Markit Offer Price**) and the offer price quoted by Buyer or any of its Affiliates for the relevant Benchmark Loan (each such price, a **DB Offer Price**) (as determined by the Calculation Agent) is within 0.5 per cent. of the relevant Markit Offer Price, the relevant DB Offer Price; or
 - (B) otherwise, the lowest available price in the market (expressed as a percentage of par) for the Relevant Notional Amount of the relevant Benchmark Loan as solicited from three Dealers (which, for the purposes of this provision, may include Buyer or any of its Affiliates), provided that if a price is obtained from fewer than three Dealers (including where Buyer and any of its Affiliates is one of those Dealers), the lowest of those prices that

are obtained (and, for the avoidance of doubt, if only one price is obtained, that price), in each case as determined by the Calculation Agent,

in each case subject to a minimum of zero, and provided that upon the occurrence of a Loan Adjustment, the Initial Price in respect of the relevant Reference Credit Agreement shall be adjusted in accordance with the provisions of Paragraph 9.6 above; and

- (ii) in respect of each Bond Reference Entity, the lowest available price in the market (expressed as a percentage of par) available to Buyer for the Relevant Notional Amount of the relevant Bond Reference Obligation obtained from any Dealer (which, for the purposes of this provision, may include Buyer or any of its Affiliates) on the Relevant Date, as determined by the Calculation Agent, in each case subject to a minimum of zero, and provided that upon the occurrence of a Bond Reference Obligation Adjustment, the Initial Price in respect of the relevant Bond Reference Entity shall be adjusted in accordance with the provisions of Paragraph 9.6 above,

provided that, where the Reference Entity Notional Amount or the Notional Amount of a Reference Credit Agreement or a Bond Reference Entity, as the case may be, that is already in the Reference Portfolio is increased pursuant to a Ramp-Up or a Replenishment, the Initial Price in respect of that Reference Credit Agreement or Bond Reference Entity, as applicable, shall be the blended average of:

- (A) the Initial Price in respect of the relevant Reference Credit Agreement or Bond Reference Entity, as applicable, immediately prior to the increase; and
- (B) the percentage that would have been the Initial Price in respect of such Reference Credit Agreement or Bond Reference Entity, as applicable, if that Reference Credit Agreement or Bond Reference Entity, as applicable, was added to the Reference Portfolio on the relevant Ramp-Up Date or Replenishment Date, as the case may be, in a notional amount corresponding to the amount of the increase,

weighted according to, in the case of subparagraph (A) above, the Notional Amount of the relevant Reference Credit Agreement or Bond Reference Entity immediately prior to the relevant Ramp-Up or Replenishment, as the case may be, and, in the case of subparagraph (B) above, the increase in the Notional Amount of the relevant Reference Credit Agreement or Bond Reference Entity as a result of the relevant Ramp-Up or Replenishment.

For the avoidance of doubt, a firm quotation in respect of the relevant Benchmark Loan or Bond Reference Obligation, as applicable, shall not be required in the determination of the Initial Price.

(b) **Removal Price**

- (i) In respect of each Reference Credit Agreement, **Removal Price** means:
if, on the relevant Removal Date:

- (A) a bid price is available from Markit or any other entity that is or becomes established as a source of information relating to the prevailing market value of obligations of the type of the Loan Reference Obligations, as determined by the Calculation Agent in respect of the relevant Benchmark Loan (such bid price, a **Markit Bid Price**), and the bid price quoted by Buyer or any of its Affiliates for the relevant Benchmark Loan (as determined by the Calculation Agent), is within 0.5 per cent. of the relevant Markit Bid Price (each such price, a **DB Bid Price**), the relevant DB Bid Price; or
- (B) otherwise, the highest available price in the market (expressed as a percentage of par) for the Relevant Notional Amount of the relevant Benchmark Loan obtained from three Dealers (which, for the purposes of this provision, may include Buyer or any of its Affiliates), provided that if a

price is obtained from fewer than three Dealers (including where Buyer and any of its Affiliates is one of those Dealers), the highest of those prices that are obtained (and, for the avoidance of doubt, if only one price is obtained, that price), in each case as determined by the Calculation Agent; and

- (ii) in respect of a Bond Reference Entity, the highest available price in the market (expressed as a percentage of par) available to Buyer for the Relevant Notional Amount of the relevant Bond Reference Obligation obtained from any Dealer (which, for the purposes of this provision, may include Buyer or any of its Affiliates) on the relevant Removal Date, as determined by the Calculation Agent.

For the avoidance of doubt, a firm quotation in respect of the relevant Benchmark Loan or Bond Reference Obligation, as applicable, shall not be required in the determination of the Removal Price.

(c) **Calculation of Trading Losses and Trading Gains following Removals**

The Trading Gain or Trading Loss in respect of each Removal shall be determined as follows:

- (i) On each Removal Date:
 - (A) in respect of each Removal the Calculation Agent shall calculate the corresponding Trading Loss or Trading Gain on the basis of the following formula:

Relevant Notional Amount x Price Differential

where:

Price Differential means Removal Price less Initial Price.

Relevant Notional Amount means an amount equal to (a) in respect of the Removal in whole or in part of a Reference Credit Agreement, the Notional Amount (or portion thereof) that is the subject of such Removal and (b) in respect of the Removal in whole or in part of a Bond Reference Entity, the Reference Entity Notional Amount (or portion thereof) that is the subject of such Removal.

- (B) if the amount calculated under sub-section (A) above is positive, it shall constitute a **Trading Gain** in relation to the relevant Removal and, if such amount is negative, an amount equal to the absolute value of such negative amount shall constitute a **Trading Loss** in relation to the relevant Removal.
- (ii) Following the determination of the Trading Losses and Trading Gains for all Removals effected in respect of a Portfolio Fixing Date, the Calculation Agent shall (x) aggregate the Trading Gains (the **Aggregate Trading Gains**) and separately aggregate the Trading Losses (the **Aggregate Trading Losses**) in respect of such date and (y) deduct the Aggregate Trading Losses from the Aggregate Trading Gains. If the resulting amount is a negative amount, then an amount equal to the absolute value of such amount shall constitute a **Removal Loss Amount** and, if the resulting amount is a positive amount, then such amount shall constitute a **Removal Gain Amount**.
- (iii) Following calculation of a Removal Gain Amount, the Calculation Agent shall credit an amount equal to such Removal Gain Amount to the Trading Ledger.
- (iv) Following calculation of a Removal Loss Amount, the Calculation Agent shall debit an amount equal to the absolute value of such Removal Loss Amount from the Trading Ledger.
- (v) Where, as at close of business in London on any Business Day, the balance of the Trading Ledger is less than zero (the absolute value of that negative balance, the **Negative Balance**):

- (A) if, as at such time, the sum of the Aggregate Applicable Loss Determination Amount (which, for the avoidance of doubt and for the purposes only of this sub-section (v), shall exclude any Applicable Loss Determination Amount determined in respect of a Trading Payment on the relevant day; the **Adjusted Aggregate Applicable Loss Determination Amount**) and the Negative Balance does not exceed the Threshold Amount as at such time, the Threshold Amount shall immediately be reduced by an amount equal to the Negative Balance;
- (B) if, as at such time, the Adjusted Aggregate Applicable Loss Determination Amount is less than the Threshold Amount but the sum of the Adjusted Aggregate Applicable Loss Determination Amount and the Negative Balance would exceed the Threshold Amount, the Threshold Amount shall immediately be reduced to the Adjusted Aggregate Applicable Loss Determination Amount and an amount equal to the excess of the Negative Balance over the amount of such reduction to the Threshold Amount shall constitute a Loss Determination Amount that has been determined on the relevant day (a **Trading Payment**); and
- (C) if, as at such time, the Adjusted Aggregate Applicable Loss Determination Amount is equal to or greater than the Threshold Amount as at that time, the Threshold Amount shall remain unchanged, and an amount equal to the Negative Balance shall constitute a Loss Determination Amount that has been determined on the relevant day (also a **Trading Payment**),

in each case, as determined by the Calculation Agent.

Immediately upon effecting the applicable steps in sub-sections (A), (B) and (C), the balance on the Trading Ledger shall be reset to zero.

- (vi) On any day on which a Loss Determination Amount is determined:
 - (A) where the balance on the Trading Ledger is a positive amount as at close of business in London on such day, the Trading Ledger balance shall be reduced, with effect from close of business in London on such day, by an amount equal to that Loss Determination Amount (subject to a minimum balance on the Trading Ledger of zero) and the excess, if any, of that Loss Determination Amount over the amount standing to the credit of the Trading Ledger shall constitute the **Applicable Loss Determination Amount** in respect of the relevant Defaulted Loan Asset; and
 - (B) where the balance on the Trading Ledger is zero or a negative amount as at close of business in London on such day, the Applicable Loss Determination Amount in respect of the relevant Defaulted Loan Asset shall be equal to the Loss Determination Amount and no adjustment shall be made to the Trading Ledger as a result of this subsection (vi)(B),

in each case, as determined by the Calculation Agent

9.8 Adjustments to Portfolio Notional Amount and Class Tranche Amounts

For the purposes of determining the Outstanding Portfolio Notional Amount and the Class Tranche Amounts under this Transaction:

- (a) the Outstanding Portfolio Notional Amount shall (in the case of subsection (i) below) and may, in the sole and absolute discretion of Buyer, (in the case of subsections (ii) and (iii) below) be reduced by an amount up to a maximum of an amount equal to the sum of the Ledger A Balance and the Ledger B Balance on the relevant date (including, for the avoidance of doubt, any amounts credited to Ledger A or Ledger B on such date) on:
 - (i) each Base Portfolio Notice Date;

- (ii) the Termination Date; or
- (iii) any Portfolio Fixing Date on or following the Portfolio Completion Date, on which an amount stands to the credit of Ledger A or Ledger B,

(the amount of each such reduction, a **Portfolio Reduction Amount**), and the relevant Portfolio Reduction Amount shall be allocated in accordance with Method A and/or Method B, as determined by Buyer in its sole and absolute discretion.

- (b) On each Cash Settlement Date following the Reinvestment End Date, each Recovery Balance shall be allocated in accordance with Method A and/or Method B, as determined by Buyer in its sole and absolute discretion. All Recovery Balances determined in respect of each Cash Settlement Date shall be aggregated and allocated on an aggregate basis with respect to the relevant Cash Settlement Date.
- (c) On any Portfolio Fixing Date following the Reinvestment End Date, an amount equal to any Amortisation Amount determined in respect of such date shall be allocated in accordance with Method A and/or Method B as determined by Buyer in its sole and absolute discretion. All such Amortisation Amounts determined in respect of each Portfolio Fixing Date shall be aggregated and allocated on an aggregate basis with respect to the relevant Portfolio Fixing Date.
- (d) On each Cash Settlement Date, the Applicable Loss Determination Amount shall be allocated by way of subtraction from the most junior outstanding Tranche. Where such Applicable Loss Determination Amount exceeds the Class Tranche Amount of the most junior outstanding Tranche, the excess of the Applicable Loss Determination Amount not so allocated shall be applied to the next most junior of the outstanding Tranches and shall continue to be applied until the entire Applicable Loss Determination Amount has been applied. All Applicable Loss Determination Amounts determined in respect of each Cash Settlement Date shall be aggregated and allocated on an aggregate basis with respect to the relevant Cash Settlement Date.

Method A means that such reduction shall be applied sequentially so as first to reduce the most senior Class Tranche Amount then outstanding and, following reduction of that Class Tranche Amount to zero, to reduce the Class Tranche Amount of the next most senior Tranche until each Class Tranche Amount is reduced to zero or there remain no further reductions to be made.

Method B means that the Class Tranche Amount of each outstanding Tranche shall be reduced *pro rata* based on the size of the relevant Tranche on the relevant Portfolio Fixing Date. Buyer may only specify Method B if, on the relevant Portfolio Fixing Date:

- (i) the Reference Portfolio complies with the Reference Portfolio Guidelines;
- (ii) the Reference Portfolio passes the S&P Model Test; and
- (iii) the S&P Note Rating is no lower than the S&P Note Rating on the Issue Date of the Notes,

in each case taking account of all adjustments made on such Portfolio Fixing Date.

If Method B is used to effect a reduction of the Outstanding Portfolio Notional Amount, then the Calculation Agent shall make the appropriate adjustments to the amounts under this Transaction, including, without limitation, the Threshold Amount, the Base Portfolio Notional Amount and the Class Tranche Amounts.

9.9 Replenishment Ledgers

The Calculation Agent shall throughout the Term maintain a **Ledger A** and a **Ledger B** in accordance with the terms of this Paragraph 9.9.

On any day, the **Ledger A Balance** shall be the amount standing to the credit of Ledger A on the relevant day, and the **Ledger B Balance** shall be the amount standing to the credit

of Ledger B on the relevant day, in each case as determined and recorded by the Calculation Agent.

(a) **Credits to Ledger A throughout the Term of the Transaction**

- (i) At any time during the Term, the Calculation Agent shall credit to Ledger A:
 - (A) an amount equal to each Prepayment Amount;
 - (B) an amount equal to each Merger Amount;
 - (C) an amount equal to the Notional Amount of each Reference Credit Agreement or Bond Reference Entity subject to a Credit-impairment Event that is Removed from the Reference Portfolio;
 - (D) an amount equal to the Notional Amount of each Reference Credit Agreement or Bond Reference Entity subject to a Credit-improvement Event that is Removed from the Reference Portfolio; and
 - (E) an amount equal to the Notional Amount of each Reference Credit Agreement or Bond Reference Entity subject to an Amendment Event that is Removed from the Reference Portfolio.
- (ii) On the Effective Date, an amount equal to the Initial Portfolio Notional Amount minus the Portfolio Reference Amount on that date shall be credited to Ledger A.

(b) **Credits to Ledger B until the end of the Reinvestment Period**

At any time prior to the Reinvestment End Date, the Calculation Agent shall credit to Ledger B:

- (i) an amount equal to each Amortisation Amount;
- (ii) an amount equal to each Recovery Balance; and
- (iii) an amount equal to the Notional Amount of any other Reference Credit Agreement or Bond Reference Entity that is Removed and does not fall under Paragraphs 9.9(a), 9.9(b)(i), and 9.9(b)(ii).

(c) **Debits from Ledger A and Ledger B**

- (i) At any time:
 - (A) prior to the Reinvestment End Date; and
 - (B) for as long as no Suspension Event has occurred and is continuing, the Calculation Agent shall debit:
 - I. an amount equal to the Notional Amount (or relevant portion thereof, as applicable) of each Reference Credit Agreement or Bond Reference Entity added to the Reference Portfolio pursuant to the Replenishment provisions under this Transaction (each such amount, a **Replenishment Amount**); and
 - II. an amount equal to each Portfolio Reduction Amount,
- first from the Ledger B Balance, until and unless at any time it is reduced to zero, and then, for as long as the Ledger B Balance is zero or if the aggregate of all Replenishment Amounts and/or Portfolio Reduction Amounts on that day exceed the Ledger B Balance on such day, the amount of the excess shall be deducted from the Ledger A Balance, provided that, on any day, the sum of the Replenishment Amounts and Portfolio Reduction

Amounts debited on that day shall not exceed an amount equal to the sum of the Ledger A Balance and the Ledger B Balance on the relevant day.

- (ii) (A) During the occurrence and continuation of a Suspension Event;
 - (B) at any time following the Reinvestment End Date but on or prior to the Termination Date;
 - (C) in respect of any Ramp-Up that is effected pursuant to the terms of this Confirmation; and/or
 - (D) at any time when the Ledger B Balance is zero,
- the Calculation Agent shall debit from Ledger A an amount equal to:
- I. each Replenishment Amount; and
 - II. each Portfolio Reduction Amount,
- provided that, on any day, the sum of the Replenishment Amounts and Portfolio Reduction Amounts debited on that day shall not exceed the Ledger A Balance on the relevant day.
- (iii) On the Reinvestment End Date, the Ledger B Balance, if any, shall be transferred to the credit of Ledger A, and the Ledger B Balance shall be reduced to zero.

9.10 Adjustment of Automatic Replenishment Maturity

Buyer may:

- (a) on any day specify a date that is earlier than the Automatic Replenishment Maturity on that day as the Automatic Replenishment Maturity, in which case the Automatic Replenishment Maturity will be that earlier date with effect from the relevant day; and
- (b) on any day specify a date that is later than the Automatic Replenishment Maturity on that day, in which case, provided that the Reference Portfolio passes the S&P Model Test immediately upon such adjustment, the Automatic Replenishment Maturity will be that later date with effect from the relevant day.

9.11 No duty to Consider Sellers Interests

Buyer is not obliged to consider the interests of Seller or of Noteholders in exercising its discretions in respect of any Ramp-Up, Removal or Replenishment. In particular, in doing so Buyer does not act as an adviser or as agent for, or owe any fiduciary duties to, Seller or the Noteholders. Seller has no ability to influence the exercise of discretions by Buyer.

10. Non-Compliance with Eligibility Criteria or Reference Portfolio Guidelines

If, in the good faith and commercially reasonable determination of either party (which shall, for the avoidance of doubt, be subject to Dispute Resolution in accordance with Paragraph 14), any Reference Credit Agreement or Bond Reference Entity, other than solely as a result of the operation of this Paragraph 10 in respect of another Reference Credit Agreement or Bond Reference Entity, (a) (i) fails, upon the date of its addition to the Reference Portfolio (which, in respect of each Reference Credit Agreement or Bond Reference Entity specified in the Initial Portfolio Determination Notice, shall be the Effective Date), to comply with the applicable Eligibility Criteria, or (ii) causes the Reference Portfolio to contravene the Reference Portfolio Guidelines on the date on which compliance is required under the terms of this Transaction, or (b) in respect of a Removal (other than each Reference Credit Agreement or Bond Reference Entity that is Removed in full and on the relevant Removal Date is subject to an Amendment Event, a Credit-improvement Event, a Credit-impairment Event or a Merger Event), causes the Reference Portfolio to contravene the Reference Portfolio Guidelines on the relevant Removal Date, each such Reference Credit Agreement or Bond Reference Entity shall be deemed in the case of

(a) above not to have been included in, and in the case of (b) above, not to have been Removed from, the Reference Portfolio, in which such case, in respect of (a) above, the Seller shall repay Buyer any Fixed Amounts which have been paid (the sum of such amounts, from time to time, together with any other amounts that have been paid by Buyer in excess of any Fixed Amount, as determined from time to time by the Calculation Agent, the **Excess Premium Amount**), and, in respect of (b) above, Buyer shall pay to Seller the Fixed Amounts, in each case with respect to relevant Reference Entity Notional Amount or the Notional Amount corresponding to the relevant Reference Credit Agreement, as the case may be, on each Fixed Rate Payer Payment Date falling during the period from (and including) the Effective Date or, if later, the Portfolio Fixing Date on which the relevant Reference Credit Agreement or Bond Reference Entity was added to or removed from, as the case may be, the Reference Portfolio, up to the earlier of the date on which the breach was identified or the Event Determination Date with respect to the relevant Reference Credit Agreement or Bond Reference Entity, as applicable, and, if a Cash Settlement Date has occurred with respect to the relevant Reference Credit Agreement or Bond Reference Entity, Buyer shall pay to Seller the Cash Settlement Amount corresponding to such Defaulted Loan Asset or Defaulted Bond Reference Entity, as applicable (the sum of such amounts payable to Seller, the **Further Premium Amount**).

The payment of Excess Premium Amounts and Further Premium Amounts at any given time by Seller and Buyer respectively shall be effected by (i) reducing or increasing (as applicable) subsequent Fixed Amounts payable by Buyer pursuant to the terms of this Confirmation by an aggregate amount equal to the relevant Excess Premium Amount or Further Premium Amount (subject to a minimum Fixed Amount of zero), (ii) to the extent an Excess Premium Amount exceeds the aggregate of all subsequent Fixed Amounts payable by Buyer under this Confirmation, reducing subsequent amounts payable by Buyer pursuant to the terms of the Asset Swap and (iii) if no further amounts are payable by Buyer in respect of the Asset Swap, but an Excess Premium amount is still outstanding, by payment by Seller.

For the purposes of determining the order in which Reference Credit Agreements and/or Bond Reference Entities shall be deemed not to have been included in or removed from the Reference Portfolio under this Paragraph 10, such Reference Credit Agreements and Bond Reference Entities shall be deemed not to have been included or substituted in the following order, (A) Replenishments, (B) Ramp-Ups and (C) Removals, and for the purposes of determining which of any such Reference Credit Agreements within (A), (B) and (C) above shall be deemed not to have been included in or substituted from the Reference Portfolio, the parties shall deem not to have included or substituted, as the case may be, the Reference Credit Agreement(s) or Bond Reference Entity(ies) having the lowest Notional Amount or Reference Entity Notional Amount, as the case may be, which would be required in order for the Reference Portfolio to comply with the Reference Portfolio Guidelines, provided that where more than one Reference Credit Agreement or Bond Reference Entity could be identified in order for the Reference Portfolio to comply with the Reference Portfolio guidelines, the Reference Credit Agreement or Bond Reference Entity with the longest maturity (as determined by the Calculation Agent) shall be identified first and shall be deemed not to have been included or removed, as the case may be.

11. Additional Representations and Agreements of the Parties

Buyer and Seller each represents to the other party on the Trade Date that:

- (a) it is entering into this Transaction as principal (and not as agent or in any other capacity);
- (b) the other party is not acting as a fiduciary for it;
- (c) it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors to the extent it has deemed necessary, and it has made its

own investment, hedging, and trading decisions based upon its own judgement and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the other party; and

- (d) it is entering into this Transaction with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks.

12. Reporting

On or about the last Business Day of each calendar month, the Calculation Agent will provide a report substantially in the form set out in Appendix 2 and, on behalf of Seller, to S&P (each such report a **Monthly Report**). For the avoidance of doubt, each Monthly Report shall include (without limitation) all of the information contained in the Reference Register.

13. Confidentiality and General Protections

13.1 Buyer and Seller agree with the other that so long as either party has or may have any obligation under this Transaction, any information (**Confidential Information**) obtained from the other party with respect to this Transaction is subject to an obligation of confidentiality. Confidential Information shall exclude:

- (a) information that was in the public domain before or at the date of this Transaction; and
- (b) information which becomes public knowledge after the date of this Transaction without any default hereunder on either party's part.

Notwithstanding anything contained herein, it is understood that either party may disclose Confidential Information (i) at the request of any regulatory, supervisory or governmental authority, institution or department having jurisdiction over the relevant party, (ii) under court process or pursuant to any statutory or other legal requirement applicable to the relevant party, (iii) to their respective employees, directors, affiliates, securities rating agencies, auditors or external counsel, and (iv) to re-insurers or liquidity credit providers; and Buyer or Seller may disclose any Confidential Information to counterparties in hedging transactions in relation to the Reference Portfolio and any transferee or potential transferee of Buyer, Seller or counterparties in hedging transactions in relation to the Reference Portfolio, provided that prior to doing so such party shall have obtained from such entity an undertaking of confidentiality substantially similar to this Paragraph 13.

- 13.2 (a) Notwithstanding any other provision of this Transaction to the contrary (but without limiting the generality of the foregoing subparagraph 13.1, Seller hereby covenants that it will not use any Confidential Information for any improper purpose.
- (b) Seller acknowledges that certain of the Confidential Information may be price sensitive in relation to securities issued by a Reference Entity that are listed on an investment exchange. Accordingly, Seller undertakes that, until all Confidential Information received by Seller or its advisers under this Transaction has ceased to be price sensitive, Seller will, in respect of each Reference Entity:
 - (i) not deal in any way in any securities of that Reference Entity or in any securities whose price or value may be related to or affected by the price or value of securities of that Reference Entity or in any derivative products related to any such securities or interests in any of them (**Relevant Investments**);
 - (ii) not encourage any other person to deal in Relevant Investments; and
 - (iii) procure that each person to whom any Confidential Information is disclosed in accordance with the terms of this Transaction will refrain from dealing in Relevant Investments and from encouraging any other person to deal in Relevant Investments,

but this subparagraph 13.2 will not prohibit any dealings or encouragement of dealings in the ordinary course of business where all individuals involved in such dealings (including members of Seller's staff and of the staff of Seller's affiliates), the decision to deal and any encouragement to deal have no knowledge of any Confidential Information and there are effective arrangements established as part of Seller's standard compliance procedure for preventing the disclosure of such Confidential Information to those persons.

14. **Dispute Resolution**

In the event that a party (the **Disputing Party**) does not agree with any determination (which, for the avoidance of doubt, shall not include the delivery of a Credit Event Notice) made by the other party or the Calculation Agent (except with respect to any calculation or determination made by the Calculation Agent in accordance with subparagraphs (e) and (g) of Section 1.14 of the Credit Derivatives Definitions, other than in the case of manifest error) (the **Non-Disputing Party**), the Disputing Party shall have the right to require that the Non-Disputing Party have such determination made by an Agreed Dealer. The Non-Disputing Party shall, after consultation with the Disputing Party, select an Agreed Dealer. If the Disputing Party agrees with the selection of the Agreed Dealer that Agreed Dealer shall become the Determination Dealer (as defined below). If the Disputing Party disagrees, in its sole discretion, with such selection the Non-Disputing Party and the Disputing Party shall each select an Agreed Dealer, and the Agreed Dealers selected by the parties shall agree between themselves upon a further Agreed Dealer. In either case, the Agreed Dealer so selected (the **Determination Dealer**) shall make any determination required under this Paragraph 14. The selection of such Determination Dealer in accordance with this Paragraph shall be final.

Any exercise by the Disputing Party of its rights hereunder must be in writing and shall be delivered to the Non-Disputing Party as soon as possible but no later than the fifth Business Day following the Business Day on which the Non-Disputing Party notifies the Disputing Party of any determination. The Disputing Party and the Non-Disputing Party agree to provide any information which any Determination Dealer may reasonably request for the purposes of making a determination. Any determination made by a Determination Dealer shall be binding on the Disputing Party and the Non-Disputing Party except in the case of manifest error.

The costs of each Agreed Dealer shall be borne by (i) the Disputing Party if the Determination Dealer substantially agrees with the Non-Disputing Party's determination or (ii) the Non-Disputing Party if the Determination Dealer does not substantially agree with the Non-Disputing Party's determination.

Notwithstanding any other provision in this Confirmation, the Calculation Agent may, in its sole discretion, require that any determination made or to be made by it be referred to a Determination Dealer (the costs in such circumstances of such Determination Dealer to be borne by the Calculation Agent), ignoring for such purpose that neither party disagrees with any determination made or to be made by the Calculation Agent. Any determination made by any such Determination Dealer pursuant to this provision shall be binding in the absence of manifest error.

For these purposes, **Agreed Dealer(s)** means any dealer recognised as a leading dealer in the market for the relevant class of Reference Obligations, excluding any Affiliate of Buyer or Seller.

15. **This Transaction Not a Contract of Insurance**

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

parties hereunder are not dependent upon Buyer owning or having any legal, equitable or other interest in any Reference Obligations or in respect of any Reference Entity.

16. Governing law

This Confirmation will be governed and construed in accordance with English law.

17. Definitions

Accrued Interest Amount	Accrued Interest Amount has the meaning given to such term in Paragraph 2.
Additional Availability Date:	Additional Availability Date has the meaning given to such term in Paragraph 1.
Additional Payment Date:	Additional Payment Date has the meaning given to such term in Paragraph 2.
Adjusted Aggregate Applicable Loss Determination Amount:	Adjusted Aggregate Applicable Loss Determination Amount has the meaning given to such term in Paragraph 9.7.
Adjusted Obligation:	Adjusted Obligation has the meaning given to such term in Paragraph 9.6.
Adjustment:	Adjustment has the meaning given to such term in Paragraph 9.6.
Adjustment Date:	Adjustment Date has the meaning given to such term in Paragraph 9.6.
Aggregate Trading Gains:	Aggregate Trading Gains has the meaning given to such term in Paragraph 9.7.
Aggregate Trading Losses:	Aggregate Trading Losses has the meaning given to such term in Paragraph 9.7.
Agreed Dealer(s):	Agreed Dealer(s) has the meaning given to such term in Paragraph 14.
Amendment Event:	Amendment Event means a Maturity Extension Event and/or a Coupon Reduction Event. For the avoidance of doubt, an Amendment Event may also constitute a Credit-impairment Event.
Amortisation Amount:	Amortisation Amount means: (a) in the case of an Amortisation Maturity Cap Event, an amount equal to the Notional Amount corresponding to the relevant Reference Credit Agreement or Bond Reference Entity, as applicable at the time of the occurrence of such Amortisation Maturity Cap Event; and (b) in the case of any other Amortisation Event:

- (i) in the case of a Reference Credit Agreement and an Amortisation Event, the Notional Amount relating to the relevant Reference Credit Agreement multiplied by the Applicable Percentage relating to that Amortisation Event; and
- (ii) in the case of a Bond Reference Entity and an Amortisation Event, the Reference Entity Notional Amount relating to the relevant Bond Reference Entity multiplied by the Applicable Percentage relating to that Amortisation Event.

Amortisation Event:

Amortisation Event means:

- (a) in respect of a Reference Credit Agreement or a Bond Reference Entity, an Amortisation Maturity Cap Event; and
- (b) in respect of a Benchmark Loan, any amortisation of the drawn or undrawn commitment made in accordance with the scheduled amortisation of the relevant Benchmark Loan, whether by way of repayment and/or cancellation or otherwise and provided that the relevant commitment cannot be re-drawn, other than in circumstances where an Event Determination Date has occurred with respect to the relevant Reference Credit Agreement, as determined by the Calculation Agent.
- (c) in respect of a Bond Reference Obligation, any repayment of principal made in accordance with the scheduled prepayment of the relevant Bond Reference Obligation, provided that the relevant repayment cannot be re-drawn and other than in circumstances where an Event Determination Date has occurred with respect to the relevant Bond Reference Entity, as determined by the Calculation Agent.

Amortisation Maturity Cap Event:

Amortisation Maturity Cap Event means in respect of a Reference Credit Agreement or a Bond Reference Entity, the occurrence of the Maturity Cap prior to the Scheduled Maturity.

Anniversary Date:

Anniversary Date has the meaning given to such term in Paragraph 9.4.

Applicable Loss Determination Amount:

Applicable Loss Determination Amount has the meaning given to such term in Paragraph 9.7.

Applicable Percentage:

Applicable Percentage means in respect of an

Amortisation Event or a Prepayment Event:

- (a) relating to a Benchmark Loan, the aggregate amount of such Benchmark Loan that is repaid and cancelled (where all or part of such amount pertains to a drawn commitment) and/or cancelled (where all or part of such amount pertains to an undrawn commitment) giving rise to the Amortisation Event or Prepayment Event, expressed as a percentage of the outstanding principal amount of the relevant Benchmark Loan immediately prior to the occurrence of the Amortisation Event or Prepayment Event; and
- (b) relating to a Bond Reference Obligation, the amount of the relevant prepayment, repayment, amortisation or cancellation giving rise to the Amortisation Event or Prepayment Event, expressed as a percentage of the outstanding principal amount of the relevant Bond Reference Obligation immediately prior to the occurrence of the Amortisation Event or Prepayment Event.

Asset Swap:	Asset Swap means the asset swap transaction entered into by the Issuer and Buyer on the Trade Date of this Transaction in relation to the Notes.
Automatic Replenishment Maturity:	Automatic Replenishment Maturity means 15 March 2015, subject to adjustment from time to time in accordance with the provisions of Paragraph 9.10.
Base Portfolio Notice:	Base Portfolio Notice has the meaning given to such term in Paragraph 9.3.
Base Portfolio Notice Date:	Base Portfolio Notice Date has the meaning given to such term in Paragraph 9.3.
Bilateral:	Bilateral means a Benchmark Loan in respect of which there is a sole lender.
Bond Classification:	Bond Classification means in respect of a Bond Reference Entity, its classification as either (i) senior unsecured or (ii) subordinated.
Bond Reference Entity:	Bond Reference Entity has the meaning given to such term in Paragraph 1.
Bond Reference Obligation:	Bond Reference Obligation has the meaning given to such term in Paragraph 1.
Bond Reference Obligation Adjustment:	Bond Reference Obligation Adjustment has the meaning given to such term in Paragraph 9.6.
Cap Adjustment:	Cap Adjustment has the meaning given to such term in

Paragraph 9.6.

Class A Tranche:	Class A Tranche has the meaning given to such term in Paragraph 1.
Class B Tranche:	Class B Tranche has the meaning given to such term in Paragraph 1.
Class C Tranche:	Class C Tranche has the meaning given to such term in Paragraph 1.
Class Tranche Amount:	Class Tranche Amount has the meaning given to such term in Paragraph 1.
Confidential Information:	Confidential Information has the meaning given to such term in Paragraph 13.
Consent Assignable Loan:	Consent Assignable Loan means a Loan Reference Obligation that on or after the occurrence of an event of default is capable of being assigned or novated only with the consent of one or more Loan Reference Entities relating to that Loan Reference Obligation as determined by Buyer in good faith and a commercially reasonable manner.
Coupon:	Coupon means, in respect of: <ul style="list-style-type: none">(a) a Benchmark Loan, the rate of interest and/or the commitment fee applicable to such Benchmark Loan, pursuant to the terms of the applicable Reference Credit Agreement; and(b) a Bond Reference Obligation, the rate or amount of interest payable to holders of such Bond Reference Obligation pursuant to its terms.
Coupon Reduction Event:	Coupon Reduction Event means, with respect to a Reference Credit Agreement or a Bond Reference Entity, a reduction in the Coupon relating to the corresponding Benchmark Loan or Bond Reference Obligation, as the case may be, that is not expressly provided for under the terms of the relevant Reference Credit Agreement or Bond Reference Obligation, as the case may be.
Credit-impairment Event:	Credit-impairment Event means that there is significant risk of a Reference Credit Agreement (including any of the Reference Obligations and Reference Entities associated with such Reference Credit Agreement), or a Bond Reference Entity (including the Bond Reference Obligation associated with that Bond Reference Entity), as applicable, declining in credit quality, in each case in the commercially reasonable determination of Buyer.
Credit-improvement Event:	Credit-improvement Event means that there is significant risk of a Reference Credit Agreement

(including any of the Reference Obligations and Reference Entities associated with such Reference Credit Agreement), or a Bond Reference Entity (including the Bond Reference Obligation associated with that Bond Reference Entity), as applicable, improving in credit quality, in each case in the commercially reasonable determination of Buyer.

- DB Bid Price:** **DB Bid Price** has the meaning given to such term in Paragraph 9.7.
- DB Offer Price:** **DB Offer Price** has the meaning given to such term in Paragraph 9.7.
- Defaulted Bond Reference Entity:** **Defaulted bond Reference Entity** means each Bond Reference Entity in respect of which an Event Determination Date has occurred. For the avoidance of doubt, with effect from the relevant Event Determination Date, a Defaulted Bond Reference Entity shall be deemed no longer to form part of the Reference Portfolio.
- Defaulted Loan Asset:** **Defaulted Loan Asset** means each Reference Credit Agreement in respect of which an Event Determination Date has occurred. For the avoidance of doubt, with effect from the relevant Event Determination Date, a Defaulted Loan Asset shall be deemed no longer to form part of the Reference Portfolio.
- Deferral Period:** **Deferral Period** has the meaning given to such term in Paragraph 2.
- Deferral Rate:** **Deferral Rate** has the meaning given to such term in Paragraph 2.
- Determination Dealer:** **Determination Dealer** has the meaning given to such term in Paragraph 14.
- DIP Collateral Obligation:** **DIP Collateral Obligation** means a loan made to a debtor-in-possession pursuant to Section 364 of the U.S. Bankruptcy Code having the priority allowed by either Section 364(c) or 364(d) of the U.S. Bankruptcy Code.
- DIP Proceedings:** **DIP Proceedings** means bankruptcy proceedings pursuant to which a debtor has filed for the right to submit a plan for reorganization or refinancing under Chapter 11 (being US Bankruptcy Code 11) or an equivalent regime in the relevant jurisdiction, and the debtor is allowed to continue to manage its business without an appointed trustee.
- Disputing Party:** **Disputing Party** has the meaning given to such term in Paragraph 14.
- Eligibility Criteria:** **Eligibility Criteria** means the criteria set out in **Error! Reference source not found.** hereto.

Excess Premium Amount:	Excess Premium Amount has the meaning given to such term in Paragraph 10.
Excluded Obligor:	Excluded Obligor has the meaning given to such term in Paragraph 1.
Final Quotation Date:	Final Quotation Date has the meaning given to such term in Paragraph 4.
Fixed Amount Adjustment Payment:	Fixed Amount Adjustment Payment has the meaning given to such term in Paragraph 2.
Fixed Amount Calculation Provisions:	Fixed Amount Calculation Provisions has the meaning given to such term in Paragraph 2.
Further Premium Amount:	Further Premium Amount has the meaning given to such term in Paragraph 10.
Group Entities:	<p>Group Entities means, in relation to a Reference Credit Agreement in respect of which a Prepayment Event has occurred:</p> <ul style="list-style-type: none"> (a) each Reference Entity in respect of the relevant Reference Credit Agreement, as at the corresponding Reduction Date; and (b) each other entity that is taken into account by S&P in their determination of the S&P Rating with respect to the relevant Reference Credit Agreement, subject to prior written confirmation by S&P.
Highest:	Highest has the meaning given to such term in Paragraph 4.
Industry Classification:	Industry Classification means, in respect of an entity, the industry classification of that entity as stipulated by S&P.
Initial Class A Tranche Amount:	Initial Class A Tranche Amount has the meaning given to such term in Paragraph 1.
Initial Class B Tranche Amount:	Initial Class B Tranche Amount has the meaning given to such term in Paragraph 1.
Initial Class C Tranche Amount:	Initial Class C Tranche Amount has the meaning given to such term in Paragraph 1.
Initial Class Tranche Amount:	Initial Class Tranche Amount has the meaning given to such term in Paragraph 1.
Initial Portfolio Determination Notice:	Initial Portfolio Determination Notice means a notice delivered by Buyer to Seller on the Effective Date identifying the information set out in Appendix 3.
Initial Price:	Initial Price has the meaning given to such term in

Paragraph 9.7 (as adjusted when relevant in accordance with the provisions of Paragraph 9.6).

Initial Reference Portfolio:	Initial Reference Portfolio has the meaning given to such term in Paragraph 9.1.
Interim Quotation Date:	Interim Quotation Date has the meaning given to such term in Paragraph 4.
Key Entity:	Key Entity means with respect to a Reference Credit Agreement in the Reference Portfolio, the Reference Entity that is identified, from time to time, as such in the Reference Register, provided that in the event Buyer is seeking to effect a Substitution in respect of such Reference Credit Agreement, for the purposes only of determining whether the Rating Condition is satisfied as at the relevant Replenishment Date, the Key Entity of the relevant Reference Credit Agreement shall be the Reference Entity or any successor thereto (as determined by the Calculation Agent) specified as such in respect of the relevant Reference Credit Agreement as at the Reduction Date relating to the latest Prepayment Event that occurred with respect to that Reference Credit Agreement.
Ledger A:	Ledger A has the meaning given to such term in Paragraph 9.9.
Ledger A Balance:	Ledger A Balance has the meaning given to such term in Paragraph 9.9.
Ledger B:	Ledger B has the meaning given to such term in Paragraph 9.9.
Ledger B Balance:	Ledger B Balance has the meaning given to such term in Paragraph 9.9.
Loan Adjustment:	Loan Adjustment has the meaning given to such term in Paragraph 9.6.
Loan Classification:	Loan Classification means in respect of a Reference Credit Agreement its classification as (i) a Senior and Secured RCA, (ii) a Mezzanine/Second Lien RCA or (iii) a Senior Unsecured RCA.
Loan Reference Entity:	Loan Reference Entity has the meaning given to such term in Paragraph 1.
Loan Reference Obligation:	Loan Reference Obligation has the meaning given to such term in Paragraph 1.
Loan Type:	Loan Type means Bilateral or Multiple Holder.
Markit:	Markit means Markit Group Limited.
Markit Bid Price:	Markit Bid Price has the meaning given to such term in

Paragraph 9.7.

Markit Offer Price:	Markit Offer Price has the meaning given to such term in Paragraph 9.7.
Maturity Cap:	Maturity Cap means, with respect to a Benchmark Loan or Bond Reference Entity, the date specified in the Reference Register, as may be amended from time to time in accordance with the terms of this Confirmation. The Maturity Cap in respect of a Reference Credit Agreement or Bond Reference Entity shall be a date falling prior to the relevant Scheduled Maturity.
Maturity Extension Event:	Maturity Extension Event means: <ul style="list-style-type: none">(a) in respect of a Reference Credit Agreement, an amendment to the terms of that Reference Credit Agreement such that the Scheduled Maturity of the corresponding Benchmark Loan is extended beyond 3 August 2021; and(b) in respect of a Bond Reference Entity, an amendment to the terms of the relevant Bond Reference Obligation such that the Scheduled Maturity of that obligation is extended beyond 3 August 2021.
Maximum Fixed Amount:	Maximum Fixed Amount has the meaning given to such term in Paragraph 2.
Merged Reference Entity:	Merged Reference Entity has the meaning given to such term in Paragraph 1.
Merger Amount:	Merger Amount means an amount equal to the Notional Amount of any Reference Credit Agreement that is Removed from the Reference Portfolio in accordance with paragraph (i) of "Merger of Reference Entity with Seller or Buyer".
Merger Event:	Merger Event has the meaning given to such term in Paragraph 1.
Merger Event Effective Date:	Merger Event Effective Date has the meaning given to such term in Paragraph 1.
Method A:	Method A has the meaning given to such term in Paragraph 9.8.
Method B:	Method B has the meaning given to such term in Paragraph 9.8.
Mezzanine/Second Lien Tranche:	Mezzanine/Second Lien Tranche means a mezzanine or second lien loan obligation (as determined by Buyer in a commercially reasonable manner) in respect of which each relevant Reference Entity's obligations in respect thereof are secured by Security, but which is not Senior

and Secured.

Mezzanine/Second Lien RCA:	Mezzanine/Second Lien RCA means a Reference Credit Agreement designated as such by Buyer at the time of the inclusion of such Reference Credit Agreement in the Reference Portfolio.
Minimum Fixed Amount:	Minimum Fixed Amount has the meaning given to such term in Paragraph 2.
Monthly Report:	Monthly Report has the meaning given to such term in Paragraph 12.
Moody's:	Moody's means Moody's Investors Service Limited.
Multiple Holder:	Multiple Holder means a Benchmark Loan in respect of which there is more than one lender.
Negative Balance:	Negative Balance has the meaning given to such term in Paragraph 9.7.
Non-Disputing Party:	Non-Disputing Party has the meaning given to such term in Paragraph 14.
Notes:	Notes means the Eirles Two Limited Series 263 USD 17,500,000 Variable Rate Secured Notes due 3 August 2021 issued by Seller on or about the date of this Confirmation.
Notional Amount:	Notional Amount means, in respect of a given Reference Credit Agreement, the amount in USD listed in the Initial Portfolio Determination Notice, or, if the relevant Reference Credit Agreement was included in the Reference Portfolio subsequent to the Effective Date, the amount designated by Buyer at the time of such inclusion, as (a) reduced from time to time by an amount equal to each Amortisation Amount and Prepayment Amount, and (b) increased from time to time as a result of Buyer effecting a Ramp-Up or a Replenishment with respect to the relevant Reference Credit Agreement.
Obligation Currency:	Obligation Currency means, with respect to a Benchmark Loan or a Bond Reference Obligation, the currency or national currency unit in which that Benchmark Loan or Bond Reference Obligation, as applicable, is denominated.
Optional Early Termination Date:	Optional Early Termination Date has the meaning given to such term in Paragraph 5.2.
Outstanding Portfolio Notional Amount:	Outstanding Portfolio Notional Amount means, with respect to the Reference Portfolio on any day, the sum of (a) the aggregate of the Notional Amounts in respect of each Reference Credit Agreement in the Reference Portfolio on such day, (b) the aggregate of the Reference Entity Notional Amounts of each Bond Reference Entity in

the Reference Portfolio on such day, and (c) the aggregate of the Ledger A Balance and the Ledger B Balance on such day, subject to adjustment in accordance with the terms of Paragraph 9.8.

outstanding principal amount:

outstanding principal amount means, at any time in connection with a Benchmark Loan, the total available commitment under and in accordance with the terms of that Benchmark Loan, as at the relevant time.

Permitted Consent RCA:

Permitted Consent RCA means a Reference Credit Agreement designated as such by Buyer in the Reference Register upon its inclusion in the Reference Portfolio.

Permitted Currency RCA:

Permitted Currency RCA means a Reference Credit Agreement designated as such by Buyer in the Reference Register upon its inclusion in the Reference Portfolio.

Portfolio Completion Date:

Portfolio Completion Date has the meaning give to such term in Paragraph 9.3.

Portfolio Reduction Amount:

Portfolio Reduction Amount has the meaning given to such term in Paragraph 9.8.

Portfolio Reference Amount:

Portfolio Reference Amount means, with respect to the Reference Portfolio on any day, the Outstanding Portfolio Notional Amount minus the aggregate of the Ledger A Balance and the Ledger B Balance on that day.

Portfolio Weighted Average Maturity:

Portfolio Weighted Average Maturity means, in respect of the Reference Portfolio as at any date, the average of the Weighted Average Maturities of the Reference Credit Agreements and the Bond Reference Entities comprising the Reference Portfolio on such date, weighted according to their Notional Amounts and Reference Entity Notional Amounts, as applicable.

Prepayment Amount:

Prepayment Amount means:

- (a) in the case of a Reference Credit Agreement and a Prepayment Event, the Notional Amount relating to the relevant Reference Credit Agreement multiplied by the Applicable Percentage relating to that Prepayment Event; and
- (b) in the case of a Bond Reference Entity and a Prepayment Event, the Reference Entity Notional Amount relating to the relevant Bond Reference Entity multiplied by the Applicable Percentage relating to that Prepayment Event.

Prepayment Event:

Prepayment Event means,

- (a) in respect of any Benchmark Loan, any prepayment and cancellation of the drawn commitment, or any cancellation of the undrawn commitment in respect of a Benchmark Loan prior to the scheduled payment/repayment date and whether as a result of a contractual obligation of any relevant Loan Reference Entity or the exercise of a contractual right by any relevant Loan Reference Entity or any lender with respect to the relevant Benchmark Loan, but other than in circumstances where an Event Determination Date has occurred with respect to the relevant Reference Credit Agreement, as determined by the Calculation Agent; and
- (b) in respect of a Bond Reference Obligation, any prepayment (whether mandatory or optional) of principal including, without limitation, pursuant to the exercise of any call option by the issuer of that Bond Reference Obligation, provided that the relevant amount prepaid cannot be re-drawn and other than in circumstances where an Event Determination Date has occurred with respect to the relevant Bond Reference Entity, as determined by the Calculation Agent.

Price Differential:	Price Differential has the meaning given to such term in Paragraph 9.7.
Quotation Calculation Agent:	Quotation Calculation Agent has the meaning given to such term in Paragraph 4.
Quotation Calculation Agent Appointment Date:	Quotation Calculation Agent Appointment Date has the meaning given to such term in Paragraph 4.
Ramp-Up:	Ramp-Up has the meaning given to such term in Paragraph 9.3.
Ramp-Up Date:	Ramp-Up Date has the meaning given to such term in Paragraph 9.3.
Ramp-Up Optional Termination Date:	Early Ramp-Up Optional Early Termination Date has the meaning given to such term in Paragraph 5.
Ramp-Up Period:	Ramp-Up Period has the meaning given to such term in Paragraph 9.3.
Rating Condition:	Rating Condition has the meaning given to such term in Paragraph 9.5.
Recovery Balance:	Recovery Balance has the meaning given to such term in Paragraph 4.
Reduction Date:	Reduction Date means, with respect to a Prepayment Event and a Benchmark Loan, the date that such

Prepayment Event occurs.

Reference Entity Notional Amount: **Reference Entity Notional Amount** means, in respect of a Bond Reference Entity, the amount in USD listed in the Initial Portfolio Determination Notice, or, if the relevant Bond Reference Entity was included in the Reference Portfolio subsequent to the Effective Date, the amount designated by Buyer at the time of such inclusion, as (a) reduced from time to time by an amount equal to each Amortisation Amount and Prepayment Amount, and (b) increased from time to time as a result of Buyer effecting a Ramp-Up or a Replenishment with respect to the relevant Bond Reference Entity.

Reference Portfolio: **Reference Portfolio** has the meaning given to such term in Paragraph 9.1.

Reference Portfolio Guidelines: **Reference Portfolio Guidelines** means the criteria identified as such in Schedule 2.

Reference Register: **Reference Register** means the register maintained by Buyer of Reference Credit Agreements comprising the Reference Portfolio and associated information included in accordance with the terms of this Transaction. On the Effective Date, the Reference Register shall be in the form of that attached as Appendix 1 hereto.

Reinvestment End Date: **Reinvestment End Date** means that last day of the Reinvestment Period.

Reinvestment Period: **Reinvestment Period** means the period from and including the first Portfolio Fixing Date after the Effective Date, to and excluding the last Portfolio Fixing Date falling in August 2011.

Relevant Calculation Agent Personnel: **Relevant Calculation Agent Personnel** means any of the people who are, or were at the relevant time, employees of the Calculation Agent or its affiliates involved in managing, monitoring, evaluating or investing in credit agreements in connection with this Transaction on behalf of the Calculation Agent.

Relevant Date: **Relevant Date** means, in relation to a Reference Credit Agreement or Bond Reference Entity, as applicable, and a determination of the Initial Price in respect thereof:

- (a) the date on which the relevant Reference Credit Agreement or Bond Reference Entity, as applicable is added to the Reference Portfolio;
- (b) each date on which a Loan Adjustment or a Bond Reference Obligation Adjustment is effected in relation to the relevant Reference Credit Agreement or Bond Reference Entity, as applicable; and

- (c) each date on which the Notional Amount of the relevant Reference Credit Agreement or Bond Reference Entity, as applicable, is increased by way of a Ramp-Up or a Replenishment.

Relevant Investments:	Relevant Investments has the meaning given to such term in Paragraph 13.
Relevant Notional Amount:	Relevant Notional Amount has the meaning given to such term in Paragraph 9.7.
Removal:	Removal has the meaning given to such term in Paragraph 9.4.
Removal Date:	Removal Date has the meaning given to such term in Paragraph 9.4.
Removal Gain Amount:	Removal Gain Amount has the meaning given to such term in Paragraph 9.7.
Removal Loss Amount:	Removal Loss Amount has the meaning given to such term in Paragraph 9.7.
Removal Price:	Removal Price has the meaning given to such term in Paragraph 9.7.
Removed:	Removed has the meaning given to such term in Paragraph 9.4(a).
Replenishment:	Replenishment has the meaning given to such term in Paragraph 9.5.
Replenishment Amount:	Replenishment Amount has the meaning given to such term in Paragraph 9.9.
Replenishment Date:	Replenishment Date has the meaning given to such term in Paragraph 9.5.
S&P:	S&P means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc.
S&P Model Test:	S&P Model Test means the model test designed by S&P, as set out in Error! Reference source not found. hereto.
S&P Note Rating:	S&P Note Rating means, with respect to any day, the rating ascribed to the Notes by S&P as at such day.
S&P Rating:	S&P Rating means: <ul style="list-style-type: none">(A) with respect to a Reference Credit Agreement on any day:<ul style="list-style-type: none">(a) if the Reference Credit Agreement consists of one or more Existing Tranches that are DIP Collateral Obligations:

- (i) the rating (either public or private) issued by S&P with respect to such Reference Credit Agreement or an Existing Tranche of such Reference Credit Agreement;
 - (ii) if there is no such rating issued by S&P, the rating (either public or private) issued by S&P with respect to any other obligation of the Reference Entity that ranks *pari passu* with an Existing Tranche of such Reference Credit Agreement in respect of its priority in relation to the proceeds of enforcement of the relevant Security,
 - (iii) if a corporate credit estimate has been assigned to such Reference Credit Agreement by S&P (upon the request of Buyer, which request may be made by Buyer in its sole discretion), such estimate, provided that, pending receipt from S&P of such estimate, it shall be deemed to be "CCC-"; or
 - (iv) if none of (i), (ii) and (iii) above apply, the S&P Rating shall be deemed to be "CCC-"; and
- (b) in all other cases:
- (i) if there is an issuer credit rating of the Key Entity in respect of the relevant Reference Credit Agreement, such issuer credit rating; or
 - (ii) where there is no issuer credit rating of the relevant Key Entity, if a corporate credit estimate has been assigned to such Reference Credit Agreement by S&P (upon the request of Buyer, which request may be made by Buyer in its sole discretion), such estimate, provided that, pending receipt from S&P of such estimate, it shall be deemed to be "B-"; or
 - (iii) if no corporate credit estimate has been assigned to the relevant Reference Credit Agreement or, at Buyer's option, an estimate has been requested but not received for a period of 30 calendar days since the date of such request, and a security or obligation of the Key Entity in respect of the relevant Reference Credit Agreement (other than any Reference Obligation) is rated by S&P where:

- (I) the relevant obligation is a senior secured obligation of such Key Entity, the rating that is one subcategory below such rating if such rating is "BBB-" or higher, otherwise two subcategories below such rating; or
- (II) the relevant obligation is a senior unsecured obligation of such Key Entity, such rating; or
- (III) the relevant obligation is a subordinated obligation of such Key Entity, the rating that is two subcategories above such rating if such rating is "BB+" or lower; otherwise one subcategory above such rating;

provided that if the relevant Key Entity has obligations in more than one of the categories (I), (II) and (III) above rated by S&P, Buyer may select the applicable rating for the purposes of determining the S&P Rating of the relevant Reference Credit Agreement; or

- (iv) if no such obligations of the relevant Key Entity are rated by S&P, and the relevant Reference Credit Agreement is publicly rated by Moody's, (I) the rating that is one subcategory below the S&P equivalent of the public rating assigned by Moody's in the case of a Reference Credit Agreement that is rated "Baa3" or higher by Moody's and (II) the rating that is two subcategories below the S&P equivalent of the public rating assigned by Moody's in the case of a Reference Credit Agreement that is rated below "Baa3" by Moody's,

provided that:

- (x) if the subject of any S&P Rating identified under any of the preceding subparagraphs is on positive watch by S&P, the applicable S&P Rating shall be deemed to be the rating that is one subcategory above the relevant issuer credit rating; or
- (y) if the subject of any S&P Rating identified under any of the preceding subparagraphs is on negative watch by

S&P, the applicable S&P Rating shall be deemed to be the rating that is one subcategory below the relevant issuer credit rating,

in each case, on the relevant day, as determined by the Calculation Agent, and including any rating that is a "one point in time rating" provided that Buyer renews such rating with S&P within 6 months of the issue of such rating; and.

(B) with respect to a Bond Reference Entity on any day:

(a) if there is an issuer credit rating of that Bond Reference Entity, that issuer credit rating; or

(b) where there is no issuer credit rating of the relevant Bond Reference Entity, if a corporate credit estimate has been assigned to that Bond Reference Entity by S&P (upon the request of Buyer, which request may be made by Buyer in its sole discretion), that estimate, provided that, pending receipt from S&P of that estimate, it shall be deemed to be "B-"; or

(c) if no corporate credit estimate has been assigned to the relevant Bond Reference Entity or, at Buyer's option, an estimate has been requested but not received for a period of 30 calendar days since the date of such request, and a security or obligation (including the Bond Reference Obligation) of the Bond Reference Entity is rated by S&P where:

(i) the relevant obligation is a senior secured obligation of the Bond Reference Entity, the rating that is one subcategory below such rating; or

(ii) the relevant obligation is a senior unsecured obligation of the Bond Reference Entity, such rating; or

(iii) the relevant obligation is a subordinated obligation of the Bond Reference Entity, the rating that is two subcategories above such rating,

provided that if the relevant Bond Reference Entity has obligations in more than one of the categories (i), (ii) and (iii) above rated by S&P, Buyer may select the applicable rating for the purposes of determining the S&P Rating of the relevant Bond Reference Entity; or

- (d) if no such obligations of the relevant Bond Reference Entity are rated by S&P, and the relevant Bond Reference Entity is publicly rated Moody's, the rating that is one subcategory below the S&P equivalent of the public rating assigned by Moody's,

in each case on the relevant day, as determined by the Calculation Agent, and including any rating that is a "one point in time rating" provided that Buyer renews such rating with S&P within 6 months of the issue of such rating.

If at any time S&P cease to provide rating services, references to rating categories of S&P shall be deemed instead to be references to the equivalent rating categories of any other rating agency or agencies, selected by Buyer in its sole discretion.

Scheduled Amortisation Amount:

Scheduled Amortisation Amount means, in respect of a Benchmark Loan or a Bond Reference Obligation on any day, the portion of the outstanding principal amount of that Benchmark Loan or Bond Reference Obligation, as applicable, that is scheduled to be repaid (in the case of a Bond Reference Obligation) or repaid and cancelled (where all or part of such amount pertains to a drawn commitment under a Benchmark Loan) and/or cancelled (where all or part of such amount pertains to an undrawn commitment under a Benchmark Loan) on such day in accordance with the terms of the relevant Reference Credit Agreement or Bond Reference Obligation, as applicable, in each case as at the date of the inclusion of the relevant Reference Credit Agreement or Bond Reference Entity in the Reference Portfolio, and, for the purposes of this definition and the definition of Scheduled Amortisation Maturity below:

the entire outstanding principal amount of a Benchmark Loan or Bond Reference Obligation as at the relevant Maturity Cap shall be deemed to be scheduled for repayment on that date; and

any amounts scheduled for repayment after the relevant Maturity Cap shall be disregarded for the purposes of this Transaction.

Scheduled Amortisation Maturity:

Scheduled Amortisation Maturity means, in respect of any Scheduled Amortisation Amount, the number of days from, and including, the Effective Date or, if later, the date on which the relevant Benchmark Loan or Bond Reference Obligation was included in the Reference Portfolio, to, and including, the date on which that Scheduled Amortisation Amount is scheduled to be repaid and cancelled (where all or part of such amount pertains to a drawn commitment) and/or cancelled (where all or part of such amount pertains to an undrawn

commitment) in accordance with the terms of the relevant Reference Credit Agreement or Bond Reference Obligation as at the date of the inclusion of the relevant Reference Credit Agreement or Bond Reference Entity, as applicable, in the Reference Portfolio.

Scheduled Maturity:

Scheduled Maturity means

in respect of a Reference Credit Agreement, the scheduled final date for repayment (or, if no amounts are drawn under the relevant obligation, of availability) of any amounts under the relevant Benchmark Loan determined as of the Effective Date or, if the relevant Reference Credit Agreement was added to the Reference Portfolio after the Effective Date, or a Benchmark Loan Adjustment has been effected with respect to that Reference Credit Agreement, the date on which that Reference Credit Agreement was added or the Benchmark Loan Adjustment was effected, as the case may be; and

in respect of a Bond Reference Entity, the scheduled final date for repayment of all amounts outstanding under the relevant Bond Reference Obligation determined as of the Effective Date or, if the relevant Bond Reference Entity was added to the Reference Portfolio after the Effective Date, or a Bond Reference Obligation Adjustment has been effected with respect to that Bond Reference Obligation, the date on which that Bond Reference Obligation was added or the Bond Reference Obligation Adjustment was effected, as the case may be.

Secured:

Secured means, with respect to an Existing Tranche, that the obligations of each Reference Entity in relation to that Existing Tranche are secured by Security with priority in ranking that is at least equal to all other borrowed money obligations of the relevant Reference Entities that are secured by the same Security, in each case as determined by the Calculation Agent.

For the purposes of ascertaining whether an Existing Tranche is Secured, the ranking in priority of payment of the obligations of the Reference Entities with respect to the applicable Security shall be determined as at the Effective Date or, if the relevant Reference Credit Agreement was added to the Reference Portfolio after the Effective Date, the relevant Ramp-Up Date or Replenishment Date.

Security:

Security means, with respect to an Existing Tranche or a New Tranche, as the case may be, a security interest over assets or equity of the Reference Entity or intercompany loan obligations, or the application of proceeds realised following the enforcement of a security interest over assets or equity of the Reference Entity or intercompany loan obligations and/or the benefit of guarantees, and/or any other collateral.

Senior:	<p>Senior means, in respect of an Existing Tranche, that the obligations of each Reference Entity in respect of the relevant Existing Tranche are not Subordinated to any Borrowed Money obligation of the relevant Reference Entity that is secured by the same Security as the relevant Existing Tranche, in each case as determined by the Calculation Agent.</p> <p>For the purposes of ascertaining whether an Existing Tranche is Senior, the ranking in priority of payment of the obligations of the Reference Entities in respect of the relevant Existing Tranche or shall be determined as at the Effective Date or, if the relevant Reference Credit Agreement was added to the Reference Portfolio after the Effective Date, the relevant Ramp-Up Date or Replenishment Date.</p>
Senior and Secured RCA:	<p>Senior and Secured RCA means a Reference Credit Agreement designated as such by Buyer at the time of the inclusion of such Reference Credit Agreement in the Reference Portfolio.</p>
Senior Unsecured RCA:	<p>Senior Unsecured RCA means a Reference Credit Agreement designated as such by Buyer at the time of the inclusion of such Reference Credit Agreement in the Reference Portfolio.</p>
Substitute Benchmark Loan:	<p>Substitute Benchmark Loan has the meaning given to such term in Paragraph 9.6.</p>
Substitute Bond Reference Obligation:	<p>Substitute Bond Reference Obligation has the meaning given to such term in Paragraph 9.6.</p>
Substitute Credit Agreement:	<p>Substitute Credit Agreement means, in respect of a Reference Credit Agreement in relation to which one or more Prepayment Events have occurred, a further Reference Credit Agreement in respect of which any one or more of the Group Entities in relation to the Reference Credit Agreement in relation to which such Prepayment Event(s) occurred are Reference Entities.</p>
Substitution:	<p>Substitution has the meaning given to such term in Paragraph 9.5.</p>
Substitution Amount:	<p>Substitution Amount has the meaning given to such term in Paragraph 9.5.</p>
Substitution Conditions:	<p>Substitution Conditions has the meaning given to such term in Paragraph 9.5.</p>
Suspension Event:	<p>Suspension Event means on any day the Aggregate Applicable Loss Determination Amount on that day minus the positive balance on the Trading Ledger (if any) on that day (after taking into account any adjustments to the Trading Ledger that are required pursuant to Paragraph 9.7(c)(vi)(A) if such day is a day on which a Loss</p>

Determination Amount is determined) is equal to or greater than 50 per cent. of the Initial Class C Tranche Amount, as determined by the Calculation Agent.

- Trading Gain:** **Trading Gain** has the meaning given to such term in Paragraph 9.7.
- Trading Ledger:** **Trading Ledger** means a notional ledger maintained by Buyer and adjusted in accordance with Paragraph 9.7. As of the Effective Date the balance on the Trading Ledger shall be zero.
- Trading Loss:** **Trading Loss** has the meaning ascribed to such term in Paragraph 9.7.
- Trading Payment:** **Trading Payment** has the meaning given to such term in Paragraph 9.7.
- Trading Terms:** **Trading Terms** has the meaning given to such term in Paragraph 1.
- Tranche:** **Tranche** has the meaning given to such term in Paragraph 1.
- Undetermined Obligation:** **Undetermined Obligation** has the meaning given to such term in Paragraph 2.
- Valuation Obligation:** **Valuation Obligation** means:
- in respect of a Defaulted Bond Reference Entity any obligation or obligations selected by Buyer in its sole and absolute discretion that either:
 - (i) is the Bond Reference Obligation relating to that Defaulted Bond Reference Entity; or
 - (ii) falls within the Deliverable Obligation Category and satisfies the Deliverable Obligation Characteristics as set out in the Trading Terms for that Defaulted Bond Reference Entity; and
 - in respect of a Defaulted Loan Asset, any Reference Obligation or combination of Reference Obligations relating to the Defaulted Loan Asset that are Loans, selected by Buyer in its sole and absolute discretion provided that Buyer shall not be entitled to select as a "Valuation Obligation";
 - (i) a Consent Assignable Loan unless the relevant Reference Credit Agreement is a Permitted Consent RCA; or
 - (ii) a Reference Obligation which is not denominated in the same currency as the relevant Benchmark Loan (and for these purposes where a Reference Obligation or

Benchmark Loan is capable of being drawn in multiple currencies, references in the preceding sentence to the currency of denomination shall be deemed to be references to the base currency) unless the relevant Reference Credit Agreement is a Permitted Currency RCA.

Valuation Obligation Notional Amount: **Valuation Obligation Notional Amount** has the meaning given to such term in Paragraph 4.

WAM Condition: **WAM Condition** has the meaning given to such term in Paragraph 9.6.

Weighted Average Maturity: **Weighted Average Maturity** means, in respect of a Benchmark Loan or a Bond Reference Obligation, an amount determined by Buyer in its sole discretion equal to the average of the Scheduled Amortisation Maturities in respect of each Scheduled Amortisation Amount in relation to that Benchmark Loan or Bond Reference Obligation, as applicable, weighted according to the relevant Scheduled Amortisation Amount.

Closing

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

Yours faithfully,

DEUTSCHE BANK AG, ACTING THROUGH ITS LONDON BRANCH

By: _____

Name:

Title:

By: _____

Name:

Title:

EIRLES TWO LIMITED

By: _____

Name:

Title:

By: _____

Name:

Title:

SCHEDULE 1
ELIGIBILITY CRITERIA

A Reference Credit Agreement or Bond Reference Entity may be included in the Reference Portfolio if the relevant criteria set out below are satisfied in relation to it (or its associated Benchmark Loan or Bond Reference Obligation, as applicable):

In respect of Reference Credit Agreements:

1. The Key Entity has a principal place of business or significant operations in a Qualifying Country.
2. The base currency of the Reference Credit Agreement is a currency of any European country, U.S. Dollars, Australian Dollars, Canadian Dollars, Swiss Francs, Hong Kong Dollars, New Zealand Dollars or Japanese Yen.
3. So far as the Relevant Buyer Personnel are aware or is otherwise discernible from Public Information, no agreement has been concluded or is being negotiated for any Reference Obligation under the relevant Reference Credit Agreement according to which its repayment would be suspended or deferred.
4. So far as the Relevant Buyer Personnel are aware or is otherwise discernible from Public Information, enforcement proceedings have not commenced against the Key Entity in respect of the Reference Credit Agreement and/or the Reference Obligations thereunder, provided that this criteria shall not be construed to exclude a DIP Collateral Obligation purely as a consequence of its creation during a DIP Proceedings or by virtue of the fact that the Key Entity is the subject of DIP Proceedings.
5. The terms of the Benchmark Loan do not provide for it to be converted or exchanged into equity or any other asset of any Reference Entity.
6. So far as the Relevant Buyer Personnel are aware or is otherwise discernible from Public Information, no Credit Event or Potential Failure to Pay has occurred and is then continuing with respect to any Reference Obligation under the Reference Credit Agreement, provided that this criteria shall not be construed to exclude a DIP Collateral Obligation purely by as a consequence of its creation during a DIP Proceedings.
7. The Benchmark Loan has not been called and is not subject to a pending redemption.
8. The Benchmark Loan is not the subject of an offer of exchange, conversion or tender by its issuer, for cash, securities or any other type of consideration (other than for an obligation which satisfies the Eligibility Criteria, the inclusion of which in the Reference Portfolio would also satisfy the Reference Portfolio Guidelines).
9. The Benchmark Loan is not an obligation that provides for the deferral and/or capitalisation of accrued interest thereon nor for any other distribution in place of the current payment of accrued interest, provided that this criterion shall not apply in respect of Reference Credit Agreements that consist of one or more Existing Tranches that are Mezzanine/Second Lien Tranches.
10. Buyer is not a Loan Reference Entity.
11. The S&P Rating of the Reference Credit Agreement is at least B-. This criterion shall not apply to a DIP Collateral Obligation.
12. The Notional Amount of the Reference Credit Agreement shall be no more than 2.5% of the Portfolio Reference Amount, provided that up to a total of five Reference Credit Agreements may have a Notional Amount of not more than 3% of such Portfolio Reference Amount.
13. The Discount Margin of a Reference Credit Agreement that is a Senior and Secured RCA shall not exceed 5%, other than where all of the relevant Reference Obligations pertaining to such Reference Credit Agreements are DIP Collateral Obligations.

In respect of Bond Reference Entities:

14. The Reference Entity has a principal place of business or significant operations in a Qualifying Country.
15. The base currency of the Reference Obligation is a currency of any European country, U.S. Dollars, Australian Dollars, Canadian Dollars, Swiss Francs, Hong Kong Dollars, New Zealand Dollars or Japanese Yen.
16. So far as the Relevant Protection Buyer Personnel are aware or is otherwise discernible from Public Information, no Credit Event has occurred in respect of the Bond Reference Entity within a period of 30 calendar days prior to its inclusion in the Reference Portfolio.
17. The S&P Rating of the Bond Reference Entity is at least "B-".
18. The Scheduled Maturity of the Bond Reference Entity shall not exceed August 2021.

SCHEDULE 2
REFERENCE PORTFOLIO GUIDELINES

Reference Portfolio Guidelines

On any date during the Term on which the Reference Portfolio is required to be in compliance with the Reference Portfolio Guidelines pursuant to the terms of this Confirmation (including, without limitation, the Portfolio Completion Date, certain Removal Dates and Replenishment Dates) and subject to the exemptions set out in and other conditions of this Confirmation, on each such date:

1. Not less than 90% of the Portfolio Reference Amount as at such date shall consist of Reference Credit Agreements which are Senior and Secured RCAs.
2. Not more than 60% and not less than 40% of the Portfolio Reference Amount as at such date may consist of Reference Credit Agreements with Key Entities domiciled in North America.
3. Not more than 60% and not less than 40% of the Portfolio Reference Amount as at such date may consist of Reference Credit Agreement of Key Entities domiciled in Europe.
4. The Weighted Average S&P Rating of the Reference Portfolio as at such date shall be at least "B-".
5. The Weighted Average Discount Margin of the Reference Portfolio as at such date shall not exceed 4%.
6. The Portfolio Weighted Average Maturity shall be less than (10-T) years after the Effective Date, where T is the number of years (rounded down to the nearest full year) between the Effective Date and the relevant date of calculation as at such date.
7. The aggregate of the Notional Amounts in respect of all Reference Obligations, the Key Entities in respect of which have the same Industry Classification by S&P shall not exceed 15% of the Portfolio Reference Amount as at such date.
8. Not more than 10% of the Portfolio Reference Amount as at such date may consist of Discount Obligations.
9. Not more than 20% of the Portfolio Reference Amount as at such date may consist of Reference Credit Agreements or Bond Reference Entities that are not rated by S&P (for which purposes an S&P Rating that is derived from a Moody's rating in respect of the relevant Reference Credit Agreement or Bond Reference Entity, as the case may be, shall not constitute a "rating by S&P").

SCHEDULE 3

ADDITIONAL DEFINITIONS FOR TERMS USED ONLY IN THE ELIGIBILITY CRITERIA AND REFERENCE PORTFOLIO GUIDELINES

- Delayed Drawdown Obligation:** **Delayed Drawdown Obligation** means a Reference Obligation (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of the relevant Reference Credit Agreement may require one or more future advances to be made to the borrower by the lender(s) thereunder which may or may not permit the re-borrowing of any amount previously repaid, provided that any such Reference Obligation will be a Delayed Drawdown Obligation only until all commitments to make advances to the borrower expire or are cancelled or reduced to zero.
- Discount Margin:** **Discount Margin** means, in respect of a Reference Credit Agreement or a Bond Reference Entity, an amount, determined by Buyer in its sole and absolute discretion, equal to the asset swap spread that would recover the price of the relevant Benchmark Loan or Bond Reference Obligation, as applicable, on market standard terms as at the date of designation of that Benchmark Loan or Bond Reference Obligation, as applicable. The relevant asset swap spread will be quoted using the same convention as the loan coupon, and will assume a 0 correlation between prepayment speed and default intensity and such other assumptions as Buyer may deem appropriate with respect to prepayment speed.
- Discount Obligation:** **Discount Obligation** means any Reference Obligation that would, on the relevant date, if it were to be acquired by, or on behalf of, Buyer be acquired for a purchase price (excluding accrued interest thereon) of less than 85% of the principal amount of such Reference Credit Agreement.
- Public Information:** **Public Information** means any information which (a) is received from a trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation or (b) has been published either (i) by Bloomberg Service, Dow Jones Telerate Service, Financial Times or the Wall Street Journal (and successor publications), or (ii) by S&P, Moody's or Fitch Ratings Ltd (**Fitch**), in each case in the 90 days preceding the Notification Date.
- Qualifying Country:** **Qualifying Country** means each of Austria, Belgium, Canada, the Channel Islands, China, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Korea, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, United States of America, and any other country that has

been approved by S&P.

Relevant Buyer Personnel:

Relevant Buyer Personnel means any of the people who are, or were at the relevant time, employees of Buyer or its affiliates involved in managing, monitoring, evaluating or investing in credit agreements in connection with this Transaction on behalf of Buyer.

Senior Secured Reference Credit Agreement:

Senior Secured Reference Credit Agreement means a Reference Credit Agreement in respect of which some or all of the Existing Tranches thereunder are Senior and Secured.

Weighted Average Discount Margin:

Weighted Average Discount Margin means, in respect of the Reference Portfolio on any date, a percentage, determined as the sum of the product, in respect of all Reference Credit Agreements and Bond Reference Entities as at that date, of:

the Discount Margin as at that date; and

the relevant Notional Amount or Reference Entity Notional Amount, as applicable, as at that date,

divided by the Portfolio Notional Amount as at that date.

Weighted Average S&P Rating:

Weighted Average S&P Rating means, on any day, a credit rating following the scale used by S&P, determined by the Calculation Agent as the average of the S&P Rating in respect of each Reference Credit Agreement and each Bond Reference Entity in the Reference Portfolio at the relevant time, in each case weighted by Notional Amount or Reference Entity Notional Amount, as applicable, and rounded up to the nearest applicable ratings notch.

SCHEDULE 4
PART 1
S&P MODEL TEST

S&P SROC Test

The S&P SROC Test shall be met with respect to a Ramp-Up, a Removal or a Replenishment, in each case only as required pursuant to the terms of the Confirmation, if the S&P SROC Test for the Class B Tranche immediately following such Ramp-Up, Removal or Replenishment (as the case may be) is a positive figure greater than or equal to 100% or, if the S&P SROC Test immediately prior to the relevant Ramp-Up, Removal or Replenishment (as the case may be) is less than 100%, such Ramp-Up, Removal or Replenishment (as applicable) does not cause the S&P SROC Test to be a smaller percentage value.

For these purposes:

S&P Assumed Recovery Rate means the recovery rate specified in Part 2 of this **Error! Reference source not found.** or if not specified in Part 2 of Schedule 4, the "S&P Assumed Recovery Rate" shall be as determined by S&P.

S&P SROC Test means, at any time, the SROC percentage calculated by the S&P CDO Evaluator in accordance with the formula below.

$$SROC = \left(\frac{A - (B * A)}{A - D} \right)$$

Where:

A = Portfolio Notional Amount;

B = The S&P Scenario Loss Rate as calculated by the S&P CDO Evaluator; and

D = The Threshold Amount plus the Trading Ledger.

For purposes of running the S&P CDO Evaluator, the maturity of each Reference Credit Agreement and each Bond Reference Entity shall be the later of:

- (a) the Automatic Replenishment Maturity; and
- (b) the Weighted Average Maturity of the relevant Benchmark Loan or the relevant Bond Reference Obligation, as applicable.

For purposes of running the S&P CDO Evaluator, a Prepayment Event shall be deemed not to have occurred in respect of a Benchmark Loan or Bond Reference Obligation until the Prepayment Amount resulting from such Prepayment Event has been allocated by Buyer to effect a Replenishment and such Replenishment has been effected in accordance with Paragraph 9.5.

S&P CDO Evaluator means version 2.4.3 of a dynamic, analytical computer programme developed by S&P and used to determine the credit risk of a portfolio of debt securities which has been provided to the Protection Buyer on or before the date hereof, as such programme may be modified by S&P from time to time; and

S&P Scenario Loss Rate means, as of any date, an estimate of the rating scenario cumulative default rate, net of the assumed recoveries determined using the S&P Assumed Recovery Rate, for the Reference Obligations included in the Reference Portfolio as amended from time to time, determined by application of the S&P CDO Evaluator based on the S&P Rating of the Notes on the Issue Date.

PART 2

S&P ASSUMED RECOVERY RATE

Country Code	Country	senior and secured loan	mezzanine / second lien loan	senior unsecured loan	senior unsecured bond	subordinated bond
SOV	All Sovereigns (except Central & Eastern Europe & Middle Eastern & Latin American SOVs)				20.00%	5.00%
SOV	Central & Eastern Europe & Middle Eastern & Latin American SOVs				19.38%	5.00%
61	Australia				24.30%	10.00%
43	Austria	50.00%	38.00%	35.00%	27.90%	10.00%
32	Belgium	45.00%	33.00%	30.00%	26.10%	10.00%
441	Bermuda				32.40%	10.00%
441-I	Bermuda-Ins				10.00%	5.00%
2	Canada	55.00%	45.00%	37.50%	33.30%	10.00%
86	China				14.40%	5.00%
45	Denmark	50.00%	38.00%	35.00%	27.90%	10.00%
358	Finland	50.00%	38.00%	35.00%	27.90%	10.00%
33	France	45.00%	33.00%	30.00%	26.10%	10.00%
49	Germany	55.00%	43.00%	40.00%	30.60%	10.00%
30	Greece	45.00%	33.00%	30.00%	26.10%	10.00%
852	Hong Kong				20.00%	5.00%
62	Indonesia				10.40%	5.00%
353	Ireland	67.50%	45.00%	40.00%	32.40%	10.00%
39	Italy	45.00%	33.00%	30.00%	26.10%	10.00%
81	Japan				13.50%	5.00%
352	Luxembourg	45.00%	33.00%	30.00%	26.10%	10.00%
60	Malaysia				14.40%	5.00%
31	Netherlands	55.00%	43.00%	40.00%	30.60%	10.00%
64	New Zealand				24.30%	10.00%
47	Norway	50.00%	38.00%	35.00%	27.90%	10.00%
63	Philippines				10.40%	5.00%
351	Portugal	45.00%	33.00%	30.00%	26.10%	10.00%
65	Singapore				20.00%	5.00%
82	South Korea				14.40%	5.00%
34	Spain	45.00%	33.00%	30.00%	26.10%	10.00%
46	Sweden	50.00%	38.00%	35.00%	27.90%	10.00%
41	Switzerland	55.00%	43.00%	40.00%	30.60%	10.00%
886	Taiwan				30.60%	5.00%
66	Thailand				14.40%	5.00%
44	United Kingdom	67.50%	45.00%	40.00%	32.40%	10.00%
1	USA	55.00%	45.00%	37.50%	33.30%	10.00%
213	Algeria				8.00%	3.00%
54	Argentina				8.00%	3.00%
973	Bahrain				8.00%	3.00%

246	Barbados			8.00%	3.00%
55	Brazil			8.00%	3.00%
359	Bulgaria			8.00%	3.00%
56	Chile			8.00%	3.00%
57	Colombia			8.00%	3.00%
506	Costa Rica			8.00%	3.00%
385	Croatia			8.00%	3.00%
357	Cyprus			8.00%	3.00%
420	Czech Republic			8.00%	3.00%
809	Dominican Republic			8.00%	3.00%
593	Ecuador			8.00%	3.00%
20	Egypt			8.00%	3.00%
503	El Salvador			8.00%	3.00%
372	Estonia			8.00%	3.00%
233	Ghana			8.00%	3.00%
502	Guatemala			8.00%	3.00%
36	Hungary			8.00%	3.00%
354	Iceland			8.00%	3.00%
91	India			8.00%	3.00%
972	Israel			8.00%	3.00%
876	Jamaica			8.00%	3.00%
8	Kazakhstan			8.00%	3.00%
961	Lebanon			8.00%	3.00%
370	Lithuania			8.00%	3.00%
356	Malta			8.00%	3.00%
52	Mexico			8.00%	3.00%
212	Morocco			8.00%	3.00%
968	Oman			8.00%	3.00%
507	Panama			8.00%	3.00%
51	Peru			8.00%	3.00%
48	Poland			8.00%	3.00%
974	Qatar			8.00%	3.00%
40	Romania			8.00%	3.00%
7	Russia			8.00%	3.00%
421	Slovak Republic			8.00%	3.00%
386	Slovenia			8.00%	3.00%
27	South Africa			8.00%	3.00%
216	Tunisia			8.00%	3.00%
90	Turkey			8.00%	3.00%
380	Ukraine			8.00%	3.00%
598	Uruguay			8.00%	3.00%
58	Venezuela			8.00%	3.00%
84	Vietnam			8.00%	3.00%

For Reference Credit Agreements that either (a) are Permitted Currency RCAs or (b) Permitted Consent RCAs, or both, the relevant S&P Assumed Recovery Rate as set out above shall be multiplied by:

- (i) in the case of a Reference Credit Agreement that satisfied conditions (a) or (b) above, 97.5%; and
- (ii) in the case of a Reference Credit Agreement that satisfies both conditions (a) and (b) above, 95%.

TRADING TERMS

PART 1

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "WESTERN EUROPEAN CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 2

**TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY
"SUBORDINATED EUROPEAN INSURANCE CORPORATE"**

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity: 30 years
		Not Bearer

PART 3

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "EUROPEAN EMERGING MARKETS CORPORATE"

Obligation(s):	Obligation Category:	Bond or Loan
	Obligation Characteristics:	Not Subordinated
		Not Domestic Currency
		Not Domestic Law
		Not Domestic Issuance
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond
	Deliverable Characteristics:	Obligation Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Domestic Law
		Not Contingent
		Not Domestic Issuance
		Assignable Loan
		Transferable
		Not Bearer

PART 4

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "AUSTRALIAN AND NEW ZEALAND CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Category:	Obligation Bond or Loan
	Deliverable Characteristics:	Obligation Not Subordinated
		Specified Currency:
		Standard Specified Currencies plus AUD or NZD
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 5

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "JAPANESE CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	Not Subordinated
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Category:	Obligation Bond or Loan
	Deliverable Characteristics:	Obligation Not Subordinated
		Specified Currency: Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 6

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "SINGAPOREAN CORPORATE"

Obligation(s):	Obligation Category:	Bond or Loan
	Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies plus SGD
		Not Sovereign Lender
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies plus SGD
		Not Sovereign Lender
		Not Contingent
		Assignable Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 7

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "ASIAN CORPORATE"

Obligation(s):	Obligation Category:	Bond or Loan
	Obligation Characteristics:	Not Subordinated
		Not Sovereign Lender
		Not Domestic Currency
		Not Domestic Issuance
		Not Domestic Law
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Sovereign Lender
		Not Domestic Law
		Not Contingent
		Not Domestic Issuance
		Assignable Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 8

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "NORTH AMERICAN INVESTMENT GRADE CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Category:	Obligation Bond or Loan
	Deliverable Characteristics:	Obligation Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer

PART 9

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "NORTH AMERICAN INSURANCE CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity:
		30 years
		Not Bearer
Additional Provisions:	Additional Provisions for Monoline Insurer Reference Entities shall apply	

PART 10

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "NORTH AMERICAN HIGH YIELD CORPORATE"

Obligation(s):	Obligation Category:	Borrowed Money
	Obligation Characteristics:	None
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond or Loan
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity: 30 years
		Not Bearer

PART 11

TRADING TERMS APPLICABLE TO THE REFERENCE ENTITY CATEGORY "LATIN AMERICAN CORPORATE"

Obligation(s):	Obligation Category:	Bond
	Obligation Characteristics:	Not Subordinated
		Not Domestic Currency
		Not Domestic Law
		Not Domestic Issuance
Deliverable Obligations:	Exclude Accrued Interest	
	Deliverable Obligation Category:	Bond
	Deliverable Obligation Characteristics:	Not Subordinated
		Specified Currency:
		Standard Specified Currencies
		Not Domestic Law
		Not Domestic Issuance
		Not Contingent
		Transferable
		Not Bearer

APPENDIX 2

FORM OF MONTHLY REPORT

In respect of Bond Reference Entities Only:

Name of that Bond Reference Entity	Bond Reference Obligation (including ISIN or CUSIP if applicable)	Reference Entity Notional Amount	Initial Price	Weighted Average Maturity of the Bond Reference Obligation	Scheduled Maturity of the Bond Reference Obligation	S&P Rating	Industry Classification	Currency of denomination of the Bond Reference Obligation	Maturity Cap	Bond Classification

In respect of Reference Credit Agreements Only:

Identification of Reference Credit	Identification of the relevant Benchmark Loan ⁵	Notional Amount	Initial Price	Weighted Average Maturity of Benchmark	Scheduled Maturity of the Benchmark Loan	Key Entity ⁷	S&P Rating, if any	Industry Classification	Excluded Obligor ⁸	Currency of denomination of the Benchmark Loan	Loan Type of Benchmark Loan	Coupon relating to	Issue date of Benchmark Loan	Maturity Cap	Permitted Consent RCA?	Permitted Currency RCA?	Loan Classification

APPENDIX 3

FORM OF INITIAL PORTFOLIO DETERMINATION NOTICE

In respect of Bond Reference Entities Only:

Name of that Bond Reference Entity	Bond Reference Obligation (including ISIN or CUSIP if applicable)	Reference Entity Notional Amount	Initial Price	Weighted Average Maturity of the Bond Reference Obligation	Scheduled Maturity of the Bond Reference Obligation	S&P Rating	Industry Classification	Currency of denomination of the Bond Reference Obligation	Maturity Cap	Bond Classification

In respect of Reference Credit Agreements Only:

Identification of Reference Credit Agreement ⁹	Identification of the relevant Benchmark Loan ¹⁰	Notional Amount	Initial Price	Weighted Average Maturity of Benchmark Loan	Scheduled Maturity of the Benchmark Loan	Key Entity ¹¹	S&P Rating, if any	Industry Classification	Excluded Obligor ¹²	Currency of denomination of the Benchmark Loan	Loan Type of Benchmark Loan	Coupon relating to Benchmark Loan	Issue date of Benchmark Loan	Maturity Cap	Permitted Consent RCA?	Permitted Currency RCA?	Loan Classification

ANNEX 3
ASSET SWAP CONFIRMATION

Deutsche Bank

Aktiengesellschaft

Date: 3 August, 2006

To: Eirles Two Limited

From: Deutsche Bank AG, London Branch

Our reference: Notes 144A ISIN Code US28257EBM12

Notes Regulation S ISIN Code: US28257FBM86

Re: Series 263 USD 17,500,000 Portfolio Credit Linked Floating Rate Secured Notes due 2021

Ladies and Gentlemen:

The purpose of this letter agreement is to set forth the terms and conditions of the Transaction entered into between Deutsche Bank AG, London Branch ("**Party A**") and Eirles Two Limited ("**Party B**") on the Trade Date specified below (the "**Transaction**"). This constitutes a "**Confirmation**" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2000 ISDA Definitions (the "**2000 Definitions**") as published by the International Swaps and Derivatives Association, Inc. and the definitions contained in the Credit Default Swap Confirmation dated 3 August, 2006 between Party A and Party B (the "**Default Swap**") are incorporated by reference herein. In the event of any inconsistency between the 2000 Definitions, the Default Swap and this Confirmation, this Confirmation will govern.

For the purposes of this Confirmation, all references in the 2000 Definitions and the Agreement (as defined below) to a "Swap Transaction" shall be deemed to apply to the Transaction referred to herein.

Words and expressions defined in the Terms and Conditions (as the same may be amended, modified or supplemented from time to time, the "**Conditions**") of the Series 263 USD 17,500,000 Portfolio Credit Linked Floating Rate Secured Notes due 2021 (the "**Notes**") of Party B shall bear the same meanings in this Confirmation and in the event of any inconsistency between words and meanings defined in the Terms and Conditions of the Notes and words and expressions defined in this Confirmation, this Confirmation will govern. References herein to "paragraphs" and "Special Provisions" are to the paragraphs and Special Provisions hereof, unless the context requires otherwise.

This Confirmation supplements, forms part of, and is subject to the ISDA Master Agreement dated as of 3 August, 2006 (as the same may be amended, modified or supplemented from time to time, the "**Agreement**") entered into between Party A and Party B by their execution of the Trust Instrument (as the same may be amended, modified or supplemented from time to time, the "**Trust Instrument**") dated 3 August, 2006 between them and certain other persons for purposes including constituting the Notes and prescribing the Terms and Conditions of the Notes. All provisions contained in the Agreement shall govern this Confirmation except as expressly modified below.

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

Trade Date: 22 June, 2006.

Effective Date: 3 August, 2006.

Termination Date: 3 August, 2021 (the "**Scheduled Termination Date**") subject to adjustment in accordance with the Modified Following Business Day Convention, or any later date determined in accordance with Special Provision 3.1(A).

Floating Rate Payments - Party A:

Floating Rate Payer: Party A.

Floating Amount: An amount equal to the interest payable in respect of the Notes.

Floating Rate Payer Dates: Each Interest Payment Date in respect of the Notes.

Reduction of Floating Amounts: The Floating Amount payable by Party A to Party B on each Floating Rate Payer Payment Date shall be reduced by an amount equal to the Floating Rate Payer Excess Premium Amount.

"Floating Rate Payer Excess Premium Amount" means the amount (if any) by which the aggregate of any Excess Premium Amounts (as defined in the Default Swap) exceeds any reduction to the Fixed Amounts payable by Party A in respect of such Excess Premium Amounts on any Fixed Rate Payer Payment Date under the Default Swap which falls on or before the same date as the Floating Rate Payer Payment Date.

Variable Rate Payments - Party B:

Party B Variable Amounts: Party B will pay to Party A amounts equal to each Fixed Amount payable by the Swap Counterparty under the Default Swap.

Party B will pay to Party A each Party B Variable Amount on the date on which the relevant amount is received under the Default Swap.

Exchange amounts – Party A

Initial Exchange Date: Not Applicable.

Initial Exchange Amount: Not Applicable.

Final Exchange Date: Termination Date.

Final Exchange Amount: An amount equal to the Aggregate

Outstanding Principal Amount of all the Notes.

Exchange amounts – Party B:

Initial Exchange Date:	3 August, 2006.
Initial Exchange Amount:	USD 17,500,000.
Final Exchange Date:	Not Applicable.
Final Exchange Amount(s):	Not Applicable.

The dates and amounts of all of the payments specified in this paragraph 2 are subject to the Special Provisions specified in paragraph 3, which shall prevail in the event of any conflict.

3. Special Provisions

3.1 Postponed Termination Date

- (A) If (a) one or more Credit Events with respect to the Default Swap have occurred and the Event Determination Date in respect of such Credit Event has not occurred, in either case on or prior to the Scheduled Termination Date or (b) the Calculation Agent determines that a Credit Event may have occurred on or prior to the Scheduled Termination Date, the Termination Date will be postponed to the Termination Date in respect of the Default Swap.
- (B) If as of an Early Termination Date in respect of this Transaction which has occurred or been designated in respect of an Optional Early Redemption Date or a Noteholders' Put Redemption Date, an Event Determination Date has occurred in respect of the Default Swap but the relevant Cash Settlement Date has yet to occur, notwithstanding the occurrence or designation of such Early Termination Date, the parties will continue to make the payments and perform the obligations provided for in this Transaction until such Cash Settlement Date.

3.2 Early Termination

- (A) If the aggregate Outstanding Principal Amount of the Notes at any time is an amount equal to or less than zero (the date of such occurrence the "**Zero Date**"), this Transaction will terminate upon the delivery of the balance (if any) standing to the credit of the Deposit Account by Party B to Party A to satisfy any obligations of Party B in respect of payments of Cash Settlement Amounts and the payment by Party A to Party B of any Floating Amounts accrued on the basis of a Calculation Period which ended on (but excluding) the Zero Date on the Business Day following the Zero Date and no further payment (including any payments in respect of Section 6(e) of the Agreement) or other obligation will be due from one party to the other in respect of this Transaction.
- (B) If (i) the Default Swap is terminated in whole on any Optional Early Termination Date or Ramp-Up Optional Early Termination Date, as the case may be, and the Notes are consequently redeemed pursuant to sub-paragraph 13(G) of the Terms of the Notes or (ii) the Notes are redeemed in whole on a Noteholders' Put Redemption Date pursuant to sub-paragraph 13(D) of the Terms of the Notes, this Transaction will terminate on such Optional Early Termination Date, Ramp-Up Optional Early Termination Date or Noteholders' Put Redemption Date, as the case may be.

On the Early Termination Date in respect of a termination of this Transaction in accordance with the preceding paragraph, Party A will pay to Party B a sum equal to the aggregate of (i) the Aggregate Outstanding Principal Amount as of the Early Termination Date, (ii) the sum of (x) in respect of each Calculation Period ending prior to the Early

Termination Date, any Floating Amounts which remain unpaid on such date and (y) the Floating Amount in respect of the period from (and including) the Floating Rate Payer Date immediately preceding the relevant termination date to but excluding the Early Termination Date and (iii) any amount owing to any person other than Party A which is secured on the Mortgaged Property in priority to the Notes. Subject to the foregoing, no further payments (including any payments in respect of Section 6(e) of the Agreement) shall be made by either party to the other in respect of the obligations so terminated.

3.3 Mandatory Redemption

If the Notes become subject to mandatory redemption under Condition 8.3, a termination payment may be payable from one Party to the other in accordance with Section 6(e) of the Agreement.

3.4 Purchase of Notes and Noteholders' Put Option

Party B will (a) at any time upon being so required by Party A purchase any Notes held by Party A in accordance with Condition 8.5 and (b) upon a Noteholders' Put Redemption Date pursuant to Condition 8.8 (as amended by sub-paragraph 13(D) of the Terms of the Notes) purchase the relevant Note from the relevant Noteholder, and in each case Party A will pay to Party B an amount which (plus or minus any termination payment payable to or by Party B to Party A upon the termination (or, as the case may be, partial termination) of the Agreement and the Default Swap) will be sufficient to fund the purchase price of the Notes. Upon such delivery and payment, this Transaction (or *pro rata* part thereof, as the case may be) will terminate and the obligations of the parties hereunder will terminate (or be reduced *pro rata*, as the case may be). Upon such termination in whole or part, an Early Termination Date shall be deemed to have been designated in respect of a notional Transaction with a notional amount equal to the terminated portion of this Transaction and a termination payment will be payable from one party to the other in respect of such terminated notional Transaction in accordance with Section 6(e) of the Agreement. Subject to the foregoing, no further payments shall be made by either party to the other in respect of the obligations so terminated.

3.5 Principal Amount Reductions

On each Cash Settlement Date, Party A shall pay to Party B an amount equal to the related Principal Amount Reduction, out of the Deposit Account. On each such date the Aggregate Outstanding Principal Amount will, in accordance with subparagraph 13(B) of the Conditions, be reduced by an amount equal to such Principal Amount Reduction and the obligations of the parties under the Transaction will be reduced accordingly and, for the avoidance of doubt, no termination payment will be payable by one party to the other as a result thereof.

3.6 Deposit Account

The Initial Exchange Amount paid by Party B to Party A will be placed on deposit in a deposit account in the name of Party A (the "**Deposit Account**"). Any payments in respect of Principal Amount Reductions made by Party A to Party B pursuant to Clause 3.5 will be paid out of the Deposit Account.

3.7 Basis Selection

For the purposes of Condition 15, Party B will make the Basis Selection (as therein defined) in such manner as Party A may in its absolute discretion specify.

4. Account Details

Account Details for Party A: Deutsche Bank Trust Co, New York
(BKTRUS33)

A/c 04-411-739

Favour Deutsche Bank AG, London Branch
(DEUTGB2L)

Account Details for Party B: Deutsche Bank Trust Co, New York
(BKTRUS33)

A/c 04-411-747

Favour Eirles Two Limited - Series 263
(DEUTGB2L)

and/or such other accounts as shall be advised by one Party to the other as and when necessary.

5. Offices

The Office of Party A for this Transaction is Winchester House, 1 Great Winchester Street, London EC2N 2DB.

The Office of Party B for this Transaction is 5 Harbourmaster Place, Dublin 1, Ireland.

6. Calculation Agent

Party A. Any determination by Party A in such capacity shall be conclusive and binding on Party B, the Trustee, the Noteholders, the Paying Agents and all other persons save in the case of manifest error and, without prejudice to section 4.14 of the 2000 Definitions, no liability shall attach to Party A in respect thereof.

7. Additional Representations

Each party represents to the other party (except in the case of (C) and (D) only in which case Party B represents to Party A) on the date hereof that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for this Transaction):

- (A) **Non-Reliance** - It has made its own independent decision to enter into this Transaction, is acting at arm's length for its own account, and is not relying on any communication (written or oral) of the other party as a recommendation or investment advice regarding this Transaction.
- (B) **Evaluation and Understanding** - It has the capability to evaluate and understand (on its own behalf or through independent professional advice), and does understand, the terms, conditions and risks of this Transaction and is willing to accept those terms and conditions and to assume (financially and otherwise) those risks.
- (C) **Concerning the Calculation Agent** – It acknowledges that the Calculation Agent is not acting as a fiduciary for or as an advisor to either party in respect of its duties as Calculation Agent in respect of this Transaction and any determination by the Calculation Agent in the course of such duties shall be conclusive and binding on each party (in the absence of manifest error) and no liability shall attach to the Calculation Agent in respect thereof.

**EXECUTION PAGE OF ASSET SWAP CONFIRMATION
EIRLES TWO LIMITED – SERIES 263**

This message will be the only form of Confirmation dispatched by us. Please confirm that the foregoing correctly sets forth the terms of our agreement by having an authorised officer sign this fax copy and return it by fax to:

Deutsche Bank AG, London Branch
Attention: ICT Documentation
Phone: +44 (0) 20 7545 9220 / 7547 1952
Fax: +44 (0) 20 7545 1913

Yours sincerely

DEUTSCHE BANK AG, LONDON BRANCH

By: _____ By: _____
Name: _____ Name: _____

Confirmed as of the date first written above:

EIRLES TWO LIMITED

By: _____
Name: _____

ANNEX 4

INVESTMENT LETTER

FORM OF INVESTMENT LETTER

To: Eirles Two Limited
5 Harbourmaster Place
IFSC
Dublin 1, Ireland

(as Issuer)

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

(as Arranger)

Deutsche Bank Trust Company Americas
60 Wall Street
New York
NY 10005

(as Registrar)

3 August 2006

Re: Purchase of USD 17,500,000 aggregate amount of Series 263 USD 17,500,000 Portfolio Credit Linked Variable Rate Secured Notes due 2021 (the "Notes") of Eirles Two Limited

Ladies and Gentlemen:

In connection with purchase by the undersigned (the "**Purchaser**") of the Notes, the Purchaser confirms that:

1. Receipt of Documents.

The Purchaser or its representative has received and read (a) the Base Prospectus dated 31 July 2006 prepared in relation to the Eirles Two Limited Secured Note Programme, (b) the Prospectus dated 3 August 2006 (the "**Prospectus**") prepared in relation to the Notes issued by Eirles Two Limited, a company incorporated with limited liability under the laws of Ireland (the "**Issuer**"), and (c) the trust instrument relating to the Notes. Capitalised terms used but not defined herein shall have the meanings assigned to such terms in the Prospectus.

2. Purchaser Requirements.

Please check the appropriate box applicable to the Purchaser, upon which the Purchaser will be deemed to have made the corresponding representation:

Eligible Investor. The Purchaser (A) is an "Eligible Investor" (as defined in the legend appearing below), (B) will hold at least the minimum denomination of USD 100,000, (C) will provide notice of applicable transfer restrictions to any subsequent transferee, and (D) is purchasing for its own account or for the accounts of one or more other persons each of whom meets all of the requirements of clauses (A) through (D); or

Non-U.S. person. The Purchaser is not a U.S. person and is acquiring the Notes outside the United States in compliance with Regulation S.

3. Notice of Transfer Restrictions.

The Purchaser acknowledges and agrees that (A) the Notes have not been and will not be registered under the Securities Act and the Issuer has not been registered as an "investment company" under the Investment Company Act, (B) neither the Notes nor any beneficial interest therein may be re-offered, resold, pledged or otherwise transferred except in accordance with the provisions contained in the legends in the relevant DTC Global Certificates set out below and (C) the Purchaser will notify any transferee of such transfer restrictions and that each subsequent holder will be required to notify any subsequent transferee of such Notes of such transfer restrictions. The Purchaser further acknowledges that the Issuer and the Trustee reserve the right prior to any sale or other transfer to require the delivery of such certifications, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the foregoing restrictions.

4. Mandatory Transfer/Redemption.

The Purchaser acknowledges that in the event that at any time the Issuer determines or is notified by the Arranger that such Purchaser was in breach, at the time given or deemed to be given, of any of the representations or agreements set forth above or otherwise determines that any transfer or other disposition of any Notes would, in the sole determination of the Issuer or the Arranger acting on its behalf, require the Issuer to register as an "investment company" under the provisions of the Investment Company Act, such purchase or other transfer will be void *ab initio* and will not be honoured by the Trustee. Accordingly, any such purported transferee or other holder will not be entitled to any rights as a Noteholder and the Issuer shall have the right, in accordance with Condition 8.11 of the Notes, to force the transfer of, or redeem, any such Notes.

5. Rule 144A Information.

Each Purchaser of Notes offered and sold in the United States under Rule 144A is hereby notified that the offer and sale of such Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. The Issuer has agreed to furnish to investors upon request such information as may be required by Rule 144A.

6. ERISA.

If the Purchaser is a U.S. person purchasing an interest in the DTC Restricted Global Certificate, it is not a benefit plan investor, is not using the assets of a benefit plan investor to acquire such Notes and shall not at any time hold such Notes for a benefit plan investor (including assets that may be held in an insurance company's separate or general accounts where assets in such accounts may be deemed "plan assets" for purposes of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). For the purposes thereof, the term "benefit plan investor" means (A) any

employee benefit plan (as defined in section 3(3) of ERISA) that is subject to Title I of ERISA, (B) any plan described in section 4975(e)(1) of the U.S. Internal Revenue Code, or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations S.2510.3-101).

7. Tax Treatment.

The Purchaser, by acceptance of an interest in a Note, agrees to treat such Note, in the absence of a judicial or administrative ruling to the contrary, as equity of the Issuer for U.S. federal income tax purposes.

8. Restrictive Legend.

(A) DTC Restricted Global Certificate.

The Purchaser acknowledges that each of the DTC Global Certificates will bear legends substantially to the effect set out below and that the Issuer has covenanted in the Trust Instrument not to remove either such legend so long as it shall be necessary for the Issuer to rely on the exception to the Investment Company Act set out in Section 3(c)(7) thereof.

The DTC Restricted Global Certificate will bear a legend in substantially the following form:

"UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("**DTC**"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY STATE SECURITIES LAWS AND THE ISSUER (AS DEFINED IN THE TRUST INSTRUMENT) HAS NOT BEEN REGISTERED AS AN "INVESTMENT COMPANY" UNDER THE PROVISIONS OF THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE ISSUER TO REGISTER UNDER THE INVESTMENT COMPANY ACT.

BY PURCHASING THE SECURITIES REPRESENTED HEREBY, EACH HOLDER OF ANY BENEFICIAL INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE SECURITIES THAT IT (I)(A) IS AN "ELIGIBLE INVESTOR" (AS DEFINED BELOW), (B) WILL HOLD AT LEAST THE MINIMUM DENOMINATION OF U.S.\$100,000, (C) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER

RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (D) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE PRECEDING REQUIREMENTS AND (E) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL OF THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (E) OR (II) IS NOT A "U.S. PERSON" AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT ("**U.S. PERSON**") AND IS ACQUIRING THE NOTES PURSUANT TO RULE 903 OR 904 OF REGULATIONS UNDER THE SECURITIES ACT. IN THE EVENT OF ANY TRANSFER PURSUANT TO THE PRECEDING CLAUSE (II), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE SECURITIES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE REGULATIONS GLOBAL CERTIFICATE (AS DEFINED IN THE TRUST INSTRUMENT); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A REGULATION S TRANSFER CERTIFICATE (SUBSTANTIALLY IN THE FORM ATTACHED TO THE TRUST INSTRUMENT AND AVAILABLE FROM THE REGISTRAR), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, CERTIFYING AS TO ITS STATUS AS A NON-U.S. PERSON. ANY RESALE OR OTHER TRANSFER OF THIS SECURITY MADE OTHER THAN IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS SHALL NOT BE RECOGNIZED BY THE ISSUER, THE REGISTRAR OR ANY OTHER AGENT OF THE ISSUER.

"ELIGIBLE INVESTORS" ARE DEFINED FOR THE PURPOSES HEREOF AS PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED UNDER RULE 144A UNDER THE SECURITIES ACT) ("**QIBs**") ACTING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF OTHER QIBs BUT EXCLUDING THEREFROM: (I) QIBs THAT ARE BROKER DEALERS THAT OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN \$25 MILLION IN "SECURITIES" AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION FUND, RETIREMENT PLAN OR OTHER ENTITY IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) AN ENTITY THAT WAS FORMED, REFORMED OR RECAPITALIZED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE SECURITIES REPRESENTED HEREBY, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF AND FORMED PRIOR TO APRIL 30, 1996, THAT HAS NOT RECEIVED THE CONSENT OF ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT AND RULES THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40% OF ITS ASSETS IN THE SECURITIES OF THE ISSUER SUBSEQUENT TO ANY PURCHASE OF THE SECURITIES REPRESENTED HEREBY.

THE PURCHASER ACKNOWLEDGES THAT THE ISSUER AND THE TRUSTEE RESERVE THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE ISSUER OR THE TRUSTEE MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS. EACH HOLDER OF A BENEFICIAL INTEREST IN THIS GLOBAL CERTIFICATE ACKNOWLEDGES THAT IN THE EVENT THAT AT ANY TIME THE ISSUER DETERMINES OR IS NOTIFIED BY THE ARRANGER THAT SUCH

PURCHASER WAS IN BREACH, AT THE TIME GIVEN OR DEEMED TO BE GIVEN, OF ANY OF THE REPRESENTATIONS OR AGREEMENTS SET FORTH IN THIS LEGEND OR OTHERWISE DETERMINES THAT ANY TRANSFER OR OTHER DISPOSITION OF ANY NOTES WOULD, IN THE SOLE DETERMINATION OF THE ISSUER, REQUIRE THE ISSUER TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE PROVISIONS OF THE INVESTMENT COMPANY ACT, SUCH PURCHASE OR OTHER TRANSFER WILL BE VOID *AB INITIO* AND WILL NOT BE HONORED BY THE TRUSTEE. ACCORDINGLY, ANY SUCH PURPORTED TRANSFEREE OR OTHER HOLDER WILL NOT BE ENTITLED TO ANY RIGHTS AS A SECURITYHOLDER AND THE ISSUER SHALL HAVE THE RIGHT, IN ACCORDANCE WITH CONDITION 8.11 OF THE SECURITIES, TO FORCE THE TRANSFER OF ANY SUCH SECURITIES.

THE SECURITIES REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE PURCHASED OR HELD BY (A) ANY EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED) THAT IS SUBJECT TO TITLE I OF ERISA, (B) ANY PLAN DESCRIBED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF A PLAN'S INVESTMENT IN THE ENTITY (WITHIN THE MEANING OF THE U.S. DEPARTMENT OF LABOR REGULATION S.2510.3-101).

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE SECURITIES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. TERMS WHICH ARE USED IN THIS LEGEND HAVE THE MEANINGS GIVEN TO THEM UNDER SUCH RULE."

(B) **DTC Regulation S Global Certificate.**

The DTC Regulation S Global Certificate will bear a legend in substantially the following form:

"UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("**DTC**"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY REGISTERED SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUIRED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS AND THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED AS AN "INVESTMENT COMPANY" UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE ISSUER TO REGISTER UNDER THE INVESTMENT COMPANY ACT.

BY PURCHASING THE SECURITIES REPRESENTED HEREBY, EACH HOLDER OF ANY BENEFICIAL INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE SECURITIES THAT IT (I)(A) IS AN "ELIGIBLE INVESTOR" (AS DEFINED BELOW), (B) WILL HOLD AT LEAST THE MINIMUM DENOMINATION OF U.S.\$100,000, (C) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (D) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL OF THE PRECEDING REQUIREMENTS AND (E) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL OF THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE SECURITIES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (E) OR (II) IS NOT A U.S. PERSON AS DEFINED IN REGULATION 2 UNDER THE SECURITIES ACT ("**U.S. PERSON**") AND IS ACQUIRING THE SECURITIES PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT. IN THE EVENT OF ANY TRANSFER PURSUANT TO THE PRECEDING CLAUSE (I), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE SECURITIES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE DTC RESTRICTED GLOBAL CERTIFICATE (AS DEFINED IN THE TRUST INSTRUMENT); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A 144A TRANSFER CERTIFICATE (THE FORM OF WHICH IS ATTACHED TO THE TRUST INSTRUMENT AND IS AVAILABLE FROM THE REGISTRAR), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER, CERTIFYING AS TO ITS STATUS AS AN ELIGIBLE INVESTOR. ANY RESALE OR OTHER TRANSFER OF THIS SECURITY MADE OTHER THAN IN COMPLIANCE WITH THE FOREGOING RESTRICTIONS SHALL NOT BE RECOGNIZED BY THE ISSUER, THE REGISTRAR OR ANY OTHER AGENT OF THE ISSUER.

"ELIGIBLE INVESTORS" ARE DEFINED FOR THE PURPOSES HEREOF AS PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**QIBS**") ACTING FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHER QIBS, BUT EXCLUDING THEREFROM: (I) QIBS THAT ARE BROKER DEALERS THAT OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN U.S.\$25 MILLION IN "SECURITIES" AS SUCH TERM IS DEFINED UNDER RULE 144A, (II) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION FUND, RETIREMENT PLAN OR OTHER ENTITY IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, (III) AN ENTITY THAT WAS FORMED, REFORMED OR RECAPITALIZED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE SECURITIES REPRESENTED HEREBY, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT SOLELY PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) THEREOF AND FORMED PRIOR TO APRIL 30, 1996, THAT HAS NOT RECEIVED THE CONSENT OF ITS BENEFICIAL OWNERS WITH RESPECT TO THE TREATMENT OF SUCH ENTITY AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT AND RULES AND REGULATIONS THEREUNDER AND (V) ANY ENTITY THAT WILL HAVE INVESTED MORE THAN 40% OF ITS ASSETS IN SECURITIES OF THE ISSUER SUBSEQUENT TO ANY PURCHASE OF THE SECURITIES REPRESENTED HEREBY.

THE PURCHASER ACKNOWLEDGES THAT THE ISSUER AND THE TRUSTEE RESERVE THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE

THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE ISSUER OR THE TRUSTEE MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS. EACH HOLDER OF A BENEFICIAL INTEREST IN THIS GLOBAL CERTIFICATE ACKNOWLEDGES THAT IN THE EVENT THAT AT ANY TIME THE ISSUER DETERMINES OR IS NOTIFIED BY THE ARRANGER THAT SUCH PURCHASER WAS IN BREACH, AT THE TIME GIVEN OR DEEMED TO BE GIVEN, OF ANY OF THE REPRESENTATIONS OR AGREEMENTS SET FORTH IN THIS LEGEND OR OTHERWISE DETERMINES THAT ANY TRANSFER OR OTHER DISPOSITION OF ANY SECURITIES WOULD, IN THE SOLE DETERMINATION OF THE ISSUER, REQUIRE THE ISSUER TO REGISTER AS AN "INVESTMENT COMPANY" UNDER THE PROVISIONS OF THE INVESTMENT COMPANY ACT, SUCH PURCHASE OR OTHER TRANSFER WILL BE VOID *AB INITIO* AND WILL NOT BE HONOURED BY THE TRUSTEE. ACCORDINGLY, ANY SUCH PURPORTED TRANSFEREE OR OTHER HOLDER WILL NOT BE ENTITLED TO ANY RIGHTS AS A SECURITYHOLDER AND THE ISSUER SHALL HAVE THE RIGHT, IN ACCORDANCE WITH CONDITION 8.11 OF THE SECURITIES, TO FORCE THE TRANSFER OF ANY SUCH SECURITIES.

Very truly yours,

By:

(Authorised Officer)

REGISTERED OFFICE OF THE ISSUER

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Ireland

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Deutsche Trustee Company Limited

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1 Great Winchester Street
London EC2N 2DB
United Kingdom

ISSUING AND PAYING AGENT

Deutsche Bank AG, London Branch

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London EC2N 2DB
United Kingdom

**REGISTRAR AND
TRANSFER AGENT**

**Deutsche Bank Trust
Company Americas**

c/o Deutsche Bank National
Trust Company
Global Transaction Banking
Trust & Securities Services
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