€1,556,165,278 Notes
of
DECO 7 – Pan Europe 2 p.l.c.

(a public company incorporated with limited liability under the laws of Ireland with registration number 400929)

Commercial Mortgage Backed Floating Rate Notes due 2018

Application has been made to the Irish Stock Exchange Limited (the "**Irish Stock Exchange**") for the €295,000,000 Class A1 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A1 Notes**"), the €809,000,000 Class A2 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A2 Notes**"), the €50,000 Class X Commercial Mortgage Backed Variable Rate Notes due 2018 (the "**Class X Notes**"), the €179,000,000 Class B Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class B Notes**"), the €89,000,000 Class C Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class C Notes**"), the €29,000,000 Class D Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class D Notes**"), the €59,000,000 Class E Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class E Notes**"), the €32,000,000 Class F Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class F Notes**"), the €27,000,000 Class G Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class G Notes**") and the €37,115,278 Class H Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class H Notes**" and, together with the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes the "**Notes**") of DECO 7 – Pan Europe 2 p.l.c. (the "**Issuer**"), a public company incorporated with limited liability in Ireland, to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market. This Offering Circular ("**Offering Circular**"), constitutes a prospectus ("**Prospectus**") for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). References throughout this document to the "Offering Circular" shall be taken to read "Prospectus" for such purpose. The Prospectus is not a prospectus for purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act (as defined below). Application has been made to the Irish Financial Services Regulatory Authority (the "**Financial Regulator in Ireland**"), as competent authority under the Prospectus Directive, for the Prospectus to be approved.

Interest on the Notes will be payable quarterly in arrear in euro on the 27th day of January, April, July and October in each year, subject to adjustment for non-Business Days as described herein (each a "**Distribution Date**"). The first Distribution Date will be in April 2006. Unless previously redeemed in full, the Notes are expected to mature on the Distribution Dates indicated in the table below (the "**Expected Maturity Date**"), and the Notes of each class will, in any event, mature no later than the Distribution Date falling in January 2018 (the "**Final Maturity Date**"). Before the Expected Maturity Date and the Final Maturity Date, the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances (as set out in Condition 6 (Redemption and Cancellation) of the terms and conditions of the Notes (the "**Conditions**") at page 273). The Notes and interest thereon will not be obligations or responsibilities of any person other than the Issuer.

On issue it is expected that the Notes will be assigned the respective ratings of Moody's Investor Service Limited ("**Moody's**"), Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Fitch Ratings Ltd ("**Fitch**" and together with Moody's and S&P, the "**Rating Agencies**") set forth in the table below. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Class	Initial Principal Amount	Rating Fitch/ Moody's/S&P	Margin over Base Interest Rate[(1)]	Expected Maturity Date[(2)]	Final Maturity Date	Issue Price[(3)]
A1	€295,000,000	AAA/Aaa/AAA	0.20 per cent.	October 2012	January 2018	100 per cent.
A2	€809,000,000	AAA/Aaa/AAA	0.27 per cent.	April 2015	January 2018	100 per cent.
X	€50,000	NR/NR/AAA	Variable[(1)]	January 2016	January 2018	100 per cent.
B	€179,000,000	AA-/Aa2/AA	0.40 per cent.	January 2016	January 2018	100 per cent.
C	€89,000,000	A/NR/A	0.62 per cent.	January 2016	January 2018	100 per cent.
D	€29,000,000	A-/NR/A	0.70 per cent.	January 2016	January 2018	100 per cent.
E	€59,000,000	BBB/NR/BBB	0.95 per cent.	January 2016	January 2018	100 per cent.
F	€32,000,000	BBB-/NR/BBB	1.15 per cent.	January 2016	January 2018	100 per cent.
G	€27,000,000	BB/NR/BBB-	2.25 per cent.	January 2016	January 2018	100 per cent.
H	€37,115,278	BB/NR/BB	3.50 per cent.[(4)]	January 2016	January 2018	100 per cent.

(1) All of the Notes, other than the Class X Notes, will bear interest at the rate of three-month European Inter-bank Offered Rate ("**EURIBOR**") plus the margin specified above (other than in respect of the first Interest Period, the rate for which shall be determined by a linear interpolation of the rate for one month and two month euro deposits). The Class X Notes will bear interest at a variable rate of interest as set forth under Condition 5(c)(ii) under "Terms and Conditions of the Notes" at page 270.

(2) Based on the assumptions set out in "Yield, Prepayment and Maturity Considerations" at page 239.

(3) Plus accrued interest, if any.

(4) Interest on the Class H Notes for any Distribution Date will be limited, in accordance with Condition 5(c)(iii) at page 272, to an amount equal to the lesser of (a) the Interest Amount in respect of such class of Notes for that Distribution Date, and (b)(i) the Available Funds for that Distribution Date minus (ii) the sum (without duplication) of all amounts payable out of Available Funds on that Distribution Date in priority to the payment of interest on such class of Notes, being the Adjusted Interest Amount. If the difference between the Interest Amount and the Adjusted Interest Amount applicable to the Class H Notes is attributable to a reduction in the interest-bearing balances of the Loans as a result of repayments and/or prepayments on the Loans, the amounts of interest that would otherwise be represented by such difference will be extinguished on such Distribution Date.

THE NOTES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS NOR HAS THE ISSUER BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT. THE NOTES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO THE ACCOUNT OR BENEFIT OF U.S. PERSONS EXCEPT TO (A) QUALIFIED INSTITUTIONAL BUYERS ("**QIBs**") WHO ARE ALSO QUALIFIED PURCHASERS ("**QPs**") WITHIN THE MEANING OF SECTION (2)(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER IN TRANSACTIONS COMPLYING WITH THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") AND (B) NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATIONS S UNDER THE SECURITIES ACT. THE NOTES ARE NOT TRANSFERABLE EXCEPT UPON SATISFACTION OF CERTAIN CONDITIONS AS DESCRIBED UNDER "**TRANSFER RESTRICTIONS**" HEREIN.

If any withholding or deduction for or on account of tax is applicable to payments of interest and/or repayments of principal on the Notes, such payments and/or repayments will made subject to such withholding or deduction, without the Issuer being obliged to pay any additional amounts as a consequence.

The Notes are expected to settle in book-entry form through the facilities of the Depository Trust Company ("**DTC**"), Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**" and, together with DTC and Clearstream, Luxembourg, the "**Clearing System**") on or about 28th March 2006 (the "**Closing Date**") against payment therefor in immediately available funds.

See "**Risk Factors**" at page 61 for a discussion of certain factors that should be considered in connection with an investment in the Notes.

Arranger and Lead Manager

Deutsche Bank

Co-Manager

Calyon

The date of this Offering Circular is 23rd March 2006

IMPORTANT NOTICE

Regulation S Notes of each class will each be represented on issue by a permanent global note in bearer form without interest coupons or principal receipts attached (each, a "**Regulation S Global Note**" and together, the "**Regulation S Global Notes**"). Deutsche Bank Trust Company Americas will act as depository (the "**Depository**") in accordance with a depository agreement (the "**Depository Agreement**") between, amongst others, the Issuer, the Depository and Deutsche Bank AG, London Branch as the global note custodian (the "**Global Note Custodian**"). Under the Depository Agreement, the Global Note Custodian will hold each Regulation S Global Note at all times on behalf of the Depository, who will at all times hold a 100 per cent. interest therein. The Depository will issue a certificated depositary interest (each, a "**Regulation S CDI**" and, together, the "**Regulation S CDIs**") in respect of each Regulation S Global Note in fully registered form without interest coupons which will be deposited on the Closing Date with, and registered in the name of, a nominee of, Deutsche Bank AG, London Branch as common depositary (in such capacity, the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg. Neither U.S. persons (as defined in Regulation S under the Securities Act) nor U.S. Residents (as determined for the purposes of the Investment Company Act of 1940, as amended) may hold an interest in a Regulation S Global Note at any time.

Rule 144A Notes of each class (other than the Class X Notes) will each be represented on issue by a permanent global note in bearer form, without interest coupons or principal receipts attached (each, a "**Rule 144A Global Note**" and, together, the "**Rule 144A Global Notes**" and, together with the Regulation S Global Notes, the "**Global Notes**"). No Rule 144A Note will be issued in respect of the Class X Notes. The Global Note Custodian will hold each Rule 144A Global Note at all times on behalf of the Depository, who will at all times hold a 100 per cent. interest therein. The Depository will issue a certificated depositary interest (each, a "**Rule 144A CDI**" and, together, the "**Rule 144A CDIs**" and, together with the Regulation S CDIs, the "**CDIs**") in respect of each Rule 144A Global Note in fully registered form without interest coupons which will be registered in the name of a nominee of the DTC and will be deposited on or about the Closing Date with Deutsche Bank Trust Company Americas (the "**DTC Custodian**") for DTC. Each of DTC, Euroclear and Clearstream, Luxembourg will record the beneficial interests in the CDIs attributable to the relevant Global Notes (each, a "**Book-Entry Interest**"). Book-Entry Interests in the CDIs will be shown on, and transfers thereof will be effected only through, records maintained in book entry form by DTC, Euroclear and Clearstream, Luxembourg, respectively, and their respective participants. No person who owns a Book-Entry Interest will be entitled to receive a Note in definitive form (a "**Definitive Note**") unless Definitive Notes are issued in the limited circumstances described in "Terms and Conditions of the Notes – Definitive Notes" at page 260. The Regulation S Notes will be issued in minimum denominations of €50,000 and integral multiples of €1, and the Rule 144A Notes will be issued in minimum denominations of €250,000 and integral multiples of €1. Definitive Notes will be issued in registered form only. DTC is located at 55 Water Street, New York, NY 10041; Euroclear is located at 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium; and Clearstream, Luxembourg is located at 42 Avenue J.F. Kennedy, L1855 Luxembourg.

For further information about Definitive Notes, see "Description of Notes and the Depository Agreement" at page 246.

The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by the Issuer, the Originator, the Note Trustee, the Issuer Security Trustee or any of the Managers that this Offering Circular may be lawfully distributed, or that the Notes may be lawfully offered in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Originator, the Note Trustee, the Issuer Security Trustee, or any of the Managers which would permit a public offering of the Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and each Manager has represented that all offers and sales by it will be made on such terms. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.

The Issuer accepts responsibility for the information contained in this Offering Circular, other than the information for which Deutsche Bank AG accepts responsibility, as provided below. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular (other than as provided in the following paragraph) is in accordance with the facts and does not omit anything likely to affect the import of such information.

Deutsche Bank AG accepts responsibility for the information contained in the section of this Offering Circular entitled ''Deutsche Bank Aktiengesellschaft'' at page 88, insofar as the same relates to it. To the best of the knowledge and belief of Deutsche Bank AG, (having taken all reasonable care to ensure that such is the case) the information contained in the section of this Offering Circular entitled ''Deutsche Bank Aktiengesellschaft'' at page 88 (insofar as the same relates to it) is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person is or has been authorised in connection with the issue and sale of the Notes to give any information or to make any representation not contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of Deutsche Bank AG or any associated body of Deutsche Bank AG or of or by the Managers, the Issuer Related Parties, the Originator, the ATU Issuer, the ATU Issuer Related Parties, the German Facility Agent, the German Security Trustee, the Dutch Facility Agent, the Dutch Security Trustee, the Swiss Facility Agent, the Swiss Security Agent, the Swiss Issuer, the Swiss Issuer Related Parties or any of their respective affiliates or shareholders or the shareholders of the Issuer. Neither the delivery of this Offering Circular nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the information contained herein since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

None of the Securities and Exchange Commission, any state securities commission or any other U.S. regulatory authority has approved or disapproved the Notes nor have any of the foregoing authorities passed upon or endorsed the merits, or the accuracy or adequacy of this Offering Circular.

The Notes and interest thereon will not be obligations or responsibilities of any person other than the Issuer. In particular, the Notes will not be obligations or responsibilities of, or be guaranteed by, Deutsche Bank AG or any associated body of Deutsche Bank AG or of or by the Managers, the Issuer Related Parties, the Registrar, the Originator, the ATU Issuer, the ATU Issuer Related Parties, the German Facility Agent, the German Security Trustee, the Dutch Facility Agent, the Dutch Security Trustee, the Swiss Facility Agent, the Swiss Security Agent, the Swiss Issuer, the Swiss Issuer Related Parties or any of their respective affiliates or shareholders or the shareholders of the Issuer and none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

NOTICE TO U.S. INVESTORS

This Offering Circular has been prepared by the Issuer solely for use in connection with the issue of the Notes. In the United States, this Offering Circular is personal to each person or entity to whom the Issuer, the Managers or an affiliate thereof has delivered it. Distribution in the United States of this Offering Circular to any person other than such persons or entities and those persons or entities, if any, retained to advise such persons or entities with respect thereto, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Each prospective purchaser in the United States, by accepting delivery of this Offering Circular, agrees to the foregoing and not to reproduce all or any part of this Offering Circular.

Each purchaser of the Notes will be deemed to have made the representations, warranties and acknowledgements that are described in this Offering Circular under ''Transfer Restrictions'' at page 344.

The Notes have not been and will not be registered under the Securities Act or any state securities law and are subject to certain restrictions on transfer. Prospective purchasers are hereby notified that the seller of any Note may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

For further information on certain further restrictions on resale or transfer of the Notes, see ''Description of the Notes and the Depository Agreement'' at page 246 and ''Transfer Restrictions'' at page 344.

Offers and sales of the Notes in the United States will be made by Deutsche Bank AG, London Branch (in such capacity the ''**Lead Manager**'') through affiliates that are registered broker-dealers under the U.S. Securities Exchange Act of 1934, as amended (the ''**Exchange Act**'').

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE STATE OF NEW HAMPSHIRE REVISED STATUTES (''**RSA**'') WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act for resale of the Rule 144A Notes, the Issuer will make available upon request to a holder of such Note and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is not a reporting company under Section 13 or Section 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

ENFORCEABILITY OF JUDGMENTS

The Issuer is a public company incorporated with limited liability in Ireland. Two of the Issuer's, three directors currently reside in Ireland and the other director resides in the United Kingdom. As a result, it may not be possible to effect service of process within the United States

upon such persons to enforce against them judgments of courts of the United States predicated upon the civil liability provisions of the federal or state securities laws of the United States. There is doubt as to the enforceability in Ireland, in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated solely upon such securities laws.

INFORMATION AS TO PLACEMENT WITHIN THE UNITED STATES

Notwithstanding the foregoing, each prospective investor (and each employee, representative or other agent of each prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of an investment in the Notes and all materials of any kind (including opinions or other tax analyses) that are provided to the prospective investor relating to such tax treatment and tax structure. For these purposes, the tax treatment of an investment in the Notes means the purported or claimed United States federal income tax treatment of an investment in the Notes. Moreover, the tax structure of an investment in the Notes includes any fact that may be relevant to understanding the purported or claimed United States federal income tax treatment of an investment in the Notes.

OFFEREE ACKNOWLEDGMENTS

Each person receiving this Offering Circular, by acceptance hereof, hereby acknowledges that:

This Offering Circular has been prepared by the Issuer solely for the purpose of offering the Notes described herein. Notwithstanding any investigation that the Managers may have made with respect to the information set forth herein, this Offering Circular does not constitute, and shall not be construed as, any representation or warranty by the Managers as to the adequacy or accuracy of the information set forth herein. Delivery of this Offering Circular to any person other than the prospective investor and those persons, if any, retained to advise such prospective investor with respect to the possible offer and sale of the Notes is unauthorised, and any disclosure of any of its contents for any purpose other than considering an investment in the Notes is strictly prohibited. A prospective investor shall not be entitled to, and must not rely on this Offering Circular unless it was furnished to such prospective investor directly by the Issuer or the Managers.

The obligations of the parties to the transactions contemplated herein are set forth in and will be governed by certain documents described herein, and all of the statements and information contained herein are qualified in their entirety by reference to such documents. This Offering Circular contains summaries, which the Issuer believes to be accurate, of certain of these documents, but for a complete description of the rights and obligations summarised herein, reference is hereby made to the actual documents, copies of which may (on giving reasonable notice) be obtained from the Note Trustee.

EACH PERSON RECEIVING THIS OFFERING CIRCULAR ACKNOWLEDGES THAT (A) SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW, AND HAS RECEIVED, ALL ADDITIONAL INFORMATION CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN, (B) SUCH PERSON HAS NOT RELIED ON THE MANAGERS OR ANY PERSON AFFILIATED WITH THE MANAGERS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION, (C) NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION REGARDING THE NOTES OTHER THAN AS CONTAINED HEREIN, AND IF GIVEN OR MADE, ANY SUCH OTHER INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORISED, AND (D) NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER WILL CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS AT ANY TIME SINCE THE DATE HEREOF. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS OWN BUSINESS, LEGAL AND TAX ADVISORS FOR INVESTMENT, LEGAL AND TAX ADVICE AND AS TO THE DESIRABILITY AND CONSEQUENCES OF AN INVESTMENT IN THE NOTES.

FORWARD-LOOKING STATEMENTS

Certain matters contained herein are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Offering Circular, including with respect to assumptions on prepayment and certain other characteristics of the Loans and reflect significant assumptions and subjective judgments by the Issuer that may or may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as ''may'', ''will'', ''could'', ''believes'', ''expects'', ''projects'', ''anticipates'', ''continues'', ''intends'', ''plans'' or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and changes in governmental regulations, fiscal policy, planning or tax laws in Germany, Ireland, Luxembourg, the Netherlands, Switzerland and the United Kingdom. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. The Managers have not attempted to verify any such statements, nor do they make any representation, express or implied, with respect thereto.

Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. Neither the Issuer nor any of the Managers assumes any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

All references in this document to ''euro'' or ''Euro'' or ''€'' are to the currency introduced at the commencement of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union, as amended by the Treaty of Amsterdam, references to ''sterling'' or ''pounds'' or ''£'' are to the lawful currency for the time being of the United Kingdom of Great Britain and Northern Ireland (the ''**United Kingdom**''), references to ''USD'', ''dollars'' or ''$'' are to the lawful currency for the time being of the United States of America and references to ''CHF'' or ''Swiss Francs'' are to the lawful currency for the time being of Switzerland.

GENERAL NOTICE TO INVESTORS

Other than the approval by the Financial Regulator in Ireland of this Offering Circular as a prospectus in accordance with the requirements of the Prospectus Directive and the relevant implementing measures in Ireland, no action has been or will be taken to permit a public offering of the Notes or the distribution of this Offering Circular in any jurisdiction where action for that purpose is required. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular (or any part hereof) comes are required by the Issuer and the Managers to inform themselves about, and to observe, any such restrictions. Neither this Offering Circular nor any part hereof constitutes an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe for or purchase any of the Notes and neither this Offering Circular, nor any part hereof, may be used for or in connection with an offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

For a further description of certain restrictions on offers and sales of the Notes and distribution of this Offering Circular (or any part hereof) see ''Notice to U.S. Investors'' at page 4, ''Subscription and Sale'' at page 339 and ''Transfer Restrictions'' at page 344.

In connection with this issue, Deutsche Bank AG, London Branch (the ''Stabilising Manager'') (or persons acting on behalf of the Stabilising Manager) may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action and there is no obligation on the Stabilising Manager to take any such action. Any stabilisation action may

begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier to occur of 30 days after the issue date and 60 days after the date of the allotment of the Notes. Any loss or profit sustained as a consequence of any such over-allotment or stabilising shall be for the account of Deutsche Bank AG, London Branch.

Unless otherwise stated in this Offering Circular, any translations or conversions of Swiss Francs into Euro have been made at the rate of €1 = CHF1.5605. Use of this rate does not mean that Swiss Franc amounts actually represent those Euro amounts or could be converted into Euro at that rate at any particular time.

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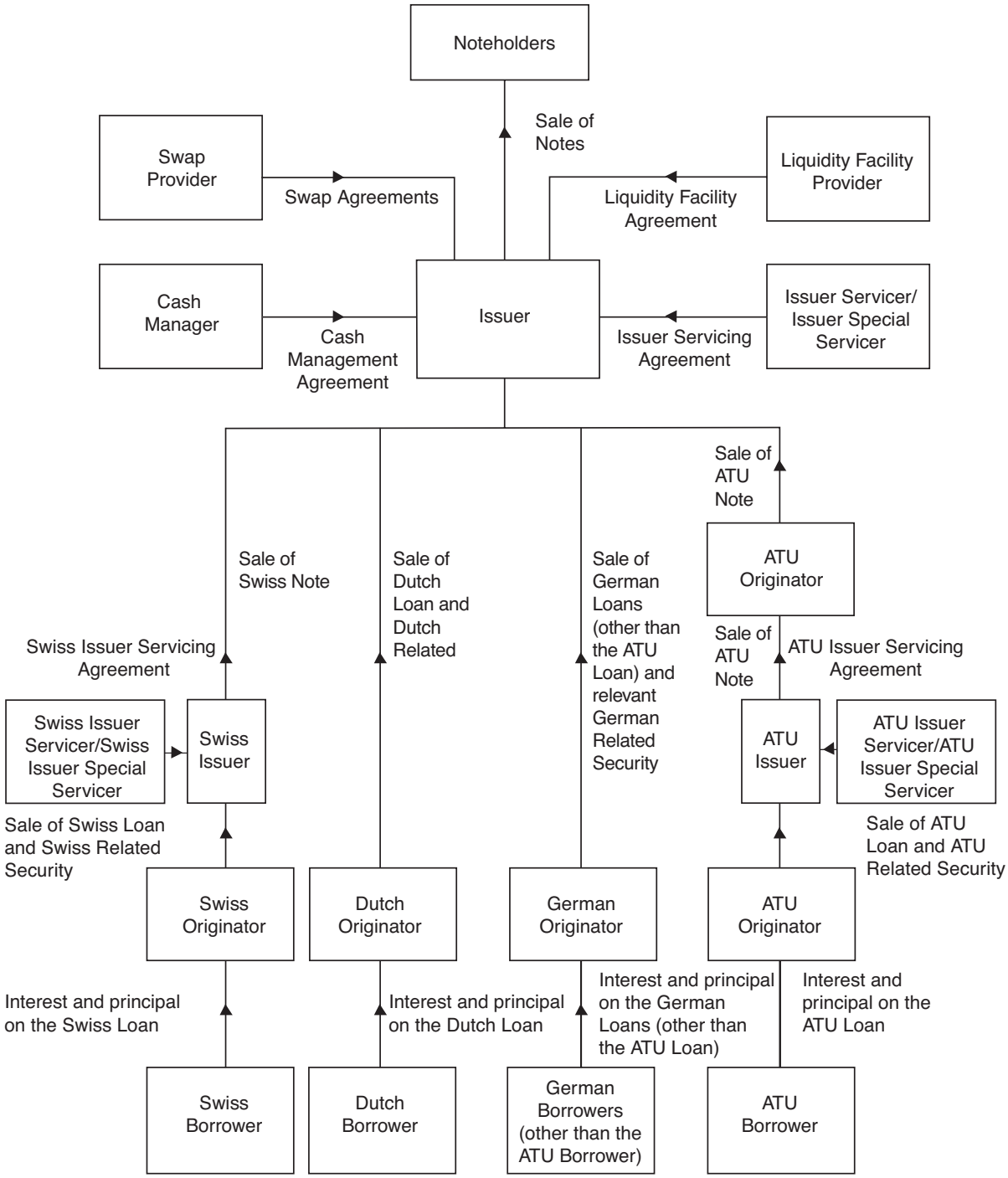
DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



TRANSACTION OVERVIEW

The following information is a summary of the principal features of the issue of the Notes. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Offering Circular. Certain terms used in this summary are defined elsewhere in this Offering Circular. A list of the pages on which these terms are defined is found in the "Index of Principal Defined Terms", at Appendix 3 to this Offering Circular.

As is described in further detail in this Offering Circular, the payment of interest on and the repayment of principal in respect of the Notes is intended to be primarily funded, directly or indirectly, from payments of interest on and the repayments of principal in respect of ten loans originated by Deutsche Bank AG, London Branch.

The loans in question are secured upon, among other things, properties which are used for a combination of commercial and multifamily purposes, situated in each of Germany, the Netherlands and Switzerland. The loans and the transaction described in this Offering Circular have been structured to take into account the relevant laws of each of these jurisdictions.

On the Closing Date, the Issuer will issue the Notes and will apply the proceeds of such issuance as follows:

(a) it will purchase the right to receive payments of interest on and repayments of principal in respect of a loan originated by Deutsche Bank AG, London Branch (in such capacity, the "**Dutch Originator**"), in an aggregate outstanding principal amount, as at 27th February 2006 (the "**WFC Loan Origination Date**") of €117,000,000 (which, for the purposes of this Offering Circular, shall also be deemed to be the aggregate outstanding principal amount of the WFC Loan as at 30th January 2006 (the "**Cut-Off Date**"), notwithstanding the fact that the WFC Loan was originated after the Cut-Off Date), together with the benefit of the related security therefor (the "**Dutch Related Security**" and together with the Dutch Loan, the "**Dutch Assets**");

(b) it will purchase the right to receive payments of interest on and repayments of principal in respect of seven loans originated by Deutsche Bank AG, London Branch (in such capacity, the "**Non-ATU German Originator**"), in an aggregate outstanding principal amount, as at the Cut-Off Date of €859,566,754 together with the related security therefor (the "**Non-ATU German Related Security**" and together with the German Loans (other than the ATU Loan), the "**Non-ATU German Assets**");

(c) it will purchase two notes (together, the "**ATU Note**") from Deutsche Bank AG, London Branch (in such capacity, the "**ATU Originator**") in an aggregate principal amount, as at the Closing Date, of €470,595,000 together with the benefit of the related security therefor (the "**ATU Note Related Security**"). The ATU Note was issued by DECO-ABC 1 p.l.c. (the "**ATU Issuer**") on 6th December 2005 (the "**ATU Closing Date**") and was initially subscribed for by the ATU Originator; and

(d) it will subscribe for a note (the "**Swiss Note**") in an aggregate principal amount, as at the Closing Date, of CHF 170,100,000. The Swiss Note will be issued by DECO – PE2 Swiss AG (the "**Swiss Issuer**") on the Closing Date.

The ATU Note and the related security therefor (the "**ATU Note Related Security**") are together referred to in this Offering Circular as the "**ATU Note Assets**". The ATU Note Assets, the Dutch Assets, the Non-ATU German Assets and the Swiss Note are together referred to in this Offering Circular as the "**Issuer Assets**" and each is referred to as an "**Issuer Asset**".

The ATU Issuer used the proceeds of the initial subscription for the ATU Note, together with certain other funds made available to it pursuant to issuing the ATU Subordinated Notes, to purchase from Deutsche Bank AG, London Branch (in such capacity, the "**ATU Originator**" and together with the Non-ATU German Originator, the "**German Originator**") the right to receive payments of interest on and repayments of principal in respect of a loan in an aggregate outstanding principal amount, at the time it was made, of €672,000,000 together with the related security therefor (the "**ATU Related Security**" and together with the ATU Loan, the "**ATU Assets**"). The ATU Related Security and the Non-ATU German Related Security are together referred to in this Offering Circular as the "**German Related Security**". The ATU Assets and the Non-ATU German Assets are together referred to in this Offering Circular as the "**German Assets**".

The Swiss Issuer will use the proceeds of the subscription for the Swiss Note, together with certain other funds made available to it pursuant to issuing the Swiss Subordinated Note, to purchase from Deutsche Bank AG, London Branch (in such capacity, the "**Swiss Originator**" and together with the Dutch Originator and the German Originator, the "**Originator**") the right to receive payments of interest on and repayments of principal in respect of a loan (the "**Swiss Loan**") in an aggregate outstanding principal amount (including the outstanding principal balance of the Swiss Subordinated Loan), as at the Cut-Off Date, of CHF 186,506,000 together with the related security therefor (the "**Swiss Related Security**" and together with the Swiss Loan, the "**Swiss Assets**").

The Dutch Assets, the German Assets and the Swiss Assets are together referred to in this Offering Circular as the "**Originated Assets**" and each Dutch Asset, German Asset and Swiss Asset is referred to as an "**Originated Asset**". For the avoidance of doubt, the Dutch Assets and the Non-ATU German Assets are included in the definitions of both Issuer Assets, as they are owned by the Issuer, and Originated Assets. The Dutch Loan, the German Loans and the Swiss Loan are also collectively referred to in this Offering Circular as "**Loans**" or the "**Loan Pool**" and each individually is referred to as a "**Loan**".

The Dutch Loan, the terms of which are set out in a loan agreement (the "**Dutch Loan Agreement**"), shall be secured by, among other things, mortgages (*hypotheek*) governed by Dutch law over an aggregate of 2 commercial properties situated in the Netherlands (the "**Dutch Properties**"). The German Loans, the terms of which are set out in separate loan agreements (each a "**German Loan Agreement**" and together the "**German Loan Agreements**"), shall (subject to the completion, in certain cases, of registration requirements) be secured by, among other things, mortgages or land charges (*Briefgrundschulden*) governed by German law over an aggregate of 452 properties, of which 353 are commercial properties and 99 are multifamily properties, and which are situated in various parts of Germany (the "**German Properties**"). The Swiss Loan, the terms of which is set out in a loan agreement (the "**Swiss Loan Agreement**"), is secured by, among other things, mortgages (*Schuldbrief*) governed by Swiss law over an aggregate of 45 properties which are used for commercial purposes and which are situated in various parts of Switzerland (the "**Swiss Properties**"). The Dutch Loan Agreement, the German Loan Agreements and the Swiss Loan Agreement are collectively referred to in this Offering Circular as the "**Loan Agreements**" and each individually is referred to as a "**Loan Agreement**".

For further information about each of the Originated Assets, see "The Loans and Related Security – The Dutch Loan" at page 95, "The Loans and Related Security – The German Loans" at page 100 and "The Loans and Related Security – The Swiss Loan" at page 141.

Certain of the German Loans represent a portion only of the "whole loan" originated by the German Originator. The Dutch Loan and the remaining German Loans constitute, in each case, the whole loan originated by the Dutch Originator or the German Originator. The Swiss Loan will be purchased in its entirety by the Swiss Issuer. Similarly, the ATU Loan was purchased in its entirety by the ATU Issuer on the ATU Closing Date. However, the Swiss Note, which will be issued by the Swiss Issuer to the Issuer, corresponds to a portion only of the Swiss Loan. Similarly, the ATU Note, which will be sold by the ATU Originator to the Issuer, corresponds to a portion only of the ATU Loan. The remaining portions of the Swiss Loan and the ATU Loan correspond to the Swiss Subordinated Note and the ATU Subordinated Notes, as applicable, which, in each case, have been or will be issued to third parties. Thus, the Issuer will not, in all cases, have the economic benefit in the whole loan.

The portion of the relevant whole loans which are for the benefit of the Issuer (or which, in the case of the ATU Loan and the Swiss Loan, correspond to the ATU Note or the Swiss Note, as applicable) are referred to in this Offering Circular as the "**Senior Loans**", the "**German Senior Loans**" or "**Swiss Senior Loan**", as the case may be and the remaining portion or portions of the relevant whole loans are referred to in this Offering Circular as the "**Subordinated Loans**", the "**German Subordinated Loans**" or the "**Swiss Subordinated Loan**", as the case may be.

The Subordinated Loans will be sold directly, or indirectly in the case of the Swiss Subordinated Loan, pursuant to the Swiss Subordinated Note to third parties. Except as described below in relation to the ATU Loan, the holders of the economic benefits of the Subordinated Loans (or, in the case of the ATU Loan and the Swiss Loan, the holders of the ATU Subordinated Notes and the Swiss Subordinated Note) are referred to in this Offering Circular as the "**Subordinated Lenders**", the "**German Subordinated Lenders**" or the "**Swiss Subordinated Lender**", as the

case may be. The rights of the lenders of the Senior Loans or the holders of the ATU Note and the Swiss Note (the "**Senior Lenders**", which will, for the avoidance of doubt, be the Issuer in all cases (in such capacity, the "**German Senior Lender**" or the "**Swiss Senior Lender**", as applicable), and the Subordinated Lenders between themselves will be governed by a series of intercreditor deeds (the "**Intercreditor Deeds**", the "**German Intercreditor Deeds**" or the "**Swiss Intercreditor Deed**", as the case may be) entered into by them.

In the case of the ATU Loan, the portion of the relevant whole loan which is for the benefit of the Issuer is referred to in this Offering Circular as the "**ATU Loan**" or the "**ATU Senior Loan**" and the remaining portions of the relevant whole loan are referred to in this Offering Circular as the "**ATU Subordinated B Loan**" or the "**ATU Subordinated C Loan**", as the case may be. The ATU Subordinated B Loan and the ATU Subordinated C Loan are together referred to in this Offering Circular as the "**ATU Subordinated Loans**". In this Offering Circular, the holder of the economic benefit of the ATU Subordinated B Loan is referred to as the "**ATU Subordinated B Lender**" and the holder of the economic benefit of the ATU Subordinated C Loan is referred to as the "**ATU Subordinated C Lender**". The ATU Subordinated B Lender and the ATU Subordinated C Lender are together referred to in this Offering Circular as the "**ATU Subordinated Lenders**". The rights of the holder of the economic benefit of the ATU Senior Loan (which will, for the avoidance of doubt be the Issuer (in such capacity, the "**ATU Senior Lender**")) and the ATU Subordinated Lenders between themselves are governed by an intercreditor deed (the "**ATU Intercreditor Deed**") entered into on the ATU Closing Date (and amended on 23 January 2006 and 16 March 2006).

For the avoidance of doubt, the terms "**German Loan**", "**German Senior Loans**" and "**Senior Loans**" include the ATU Senior Loan, the terms "**German Subordinated Loans**" and "**Subordinated Loans**" include the ATU Subordinated Loans, the terms "**Subordinated Lenders**" and "**German Subordinated Lenders**" include the "**ATU Subordinated Lenders**" and the terms "**Senior Lender**" and "**German Senior Lender**" include the "**ATU Senior Lender**". For the further avoidance of doubt, the terms "**Loan**", "**ATU Loan**", "**Dutch Loan**", "**German Loan**", "**Swiss Loan**", "**Senior Loan**", "**Dutch Senior Loan**", "**German Senior Loan**" or "**Swiss Senior Loan**" or similar terms, as used in this Offering Circular, refer to assets held by the Issuer only (or, in respect of the ATU Loan and the Swiss Loan, assets which correspond to the ATU Note and the Swiss Note, as applicable), unless expressly stated otherwise or unless the context otherwise requires. On the Closing Date, one or more of the Dutch Subordinated Lender, the German Subordinated Lenders and/or the Swiss Subordinated Lender may be Deutsche Bank AG, London Branch. Similarly, terms such as "**Subordinated Loans**", "**ATU Subordinated Loans**", "**German Subordinated Loans**" or "**Swiss Subordinated Loan**" or similar terms, as used in this Offering Circular, refer to assets held by persons other than the Issuer (or, in the case of the ATU Subordinated Loans or Swiss Subordinated Loan, assets which correspond to the ATU Subordinated Notes or Swiss Subordinated Note, as applicable), unless expressly stated otherwise or unless the context otherwise requires.

Each of the Loans referred to in this Offering Circular is identifiable by a specific name. These are the "**WFC Loan**" (constituting the "**Dutch Loan**"), the "**A10 Shopping Center Loan**", the "**ATU Loan**", the "**GWK Loan**", the "**Jargonnant Loan**", the "**Karstadt Kompakt Loan**", the "**Procom Loan**", the "**Schmeing Loan**" and the "**Tiago Loan**" (together constituting the "**German Loans**" and each a "**German Loan**"), and the "**Coop Loan**" (constituting the "**Swiss Loan**").

The Dutch Properties, the German Properties and the Swiss Properties are together referred to in this Offering Circular as the "**Properties**", and each is referred to as a "**Property**".

The Properties are, save as otherwise described in this Offering Circular, let to one or more tenants and, as such, generate an entitlement to a regular periodic rental income (the "**Rental Income**"). At the time each Originated Asset was originated, security interests were granted over the Rental Income from time to time generated by the Property or Properties the subject of such financing, for the benefit of the relevant Originator.

The Rental Income generated by the Dutch Properties will be applied by the borrower of the Dutch Loan (the "**Dutch Borrower**"), among other things, in or towards making payments of interest on and repayments of principal in respect of the Dutch Loan to the Issuer. The Rental Income generated by the German Properties will be applied by the borrowers of the German Loans (together the "**German Borrowers**" and each a "**German Borrower**"), among other things, in or towards making payments of interest on and repayments of principal in respect of the German

Loans to the Issuer (or, in the case of the ATU Loan, the ATU Issuer). The Rental Income generated by the Swiss Properties will be applied by the borrowers of the Swiss Loan (the "**Swiss Borrower**"), among other things, in or towards making payments of interest on and repayments of principal in respect of the Swiss Loan to the Swiss Issuer. To the extent that Rental Income generated in respect of the Properties relating to a particular Loan is insufficient to repay principal on that Loan in full on or before its scheduled maturity date or Rental Income is not applied to repay principal and the applicable Properties have not previously been sold, it is anticipated that such repayment will be made through the proceeds of the refinancing of the relevant Loan (the "**Refinancing Proceeds**") or the proceeds of sale of the relevant Properties (the "**Disposal Proceeds**", which term shall be construed, where relevant, to include proceeds of sale of the relevant Properties arising prior to the scheduled maturity date of the relevant Loan).

The Dutch Borrower, the German Borrowers and the Swiss Borrower are together referred to in this Offering Circular as the "**Borrowers**", and each is referred to as a "**Borrower**".

All amounts of interest and principal received by the ATU Issuer in respect of the ATU Loan (less certain administrative and operational expenses of the ATU Issuer, as further described in this Offering Circular) will be applied by the ATU Issuer, among other things, in or towards making payments of interest on and repayments of principal in respect of the ATU Note to the Issuer. Similarly, all amounts of interest and principal received by the Swiss Issuer in respect of the Swiss Loan (less certain administrative and operational expenses of the Swiss Issuer, as further described in this Offering Circular) will be applied by the Swiss Issuer, among other things, in or towards making payments of interest on and repayments of principal in respect of the Swiss Note to the Issuer.

Payments of interest on and repayments of principal in respect of the Issuer Assets will thus be funded, directly or indirectly, through the Originated Assets, from Rental Income, Refinancing Proceeds or Disposal Proceeds, as the case may be, such amounts, in turn, constituting the primary sources from which payments of interest on and repayments of principal in respect of the Notes will be made.

Certain of the Loans bear interest at a fixed rate (the "**Fixed Rate Loans**") while the Notes bear interest at a floating rate. The Issuer is therefore exposed to the risk of an interest rate mismatch arising between the Fixed Rate Loans and the floating rate interest liability on the Notes as well as to certain other risks (being cross–currency risk in respect of the Swiss Note and basis risk as a result of there being mismatches between the interest rate bases and interest accrual periods between the loans and the Notes). In order to protect the Issuer against the risk of such interest rate risk, cross – currency risk and basis risk, the Issuer and Deutsche Bank AG, London Branch (in such capacity, the "**Swap Provider**") will enter into two swap agreements each documented under an ISDA 1992 Master Agreement (Multicurrency-Cross Border) on the Closing Date (each, a "**Swap Agreement**" and together, the "**Swap Agreements**"). Under one Swap Agreement, the Issuer and the Swap Provider will enter into a series of interest rate swap transactions (each a "**Rate Swap Transaction**" and together the "**Rate Swap Transactions**"), in respect of the interest payable to the Issuer on the Fixed Rate Loans, together with a hedge in respect of the basis risk, while under the other Swap Agreement the Issuer will hedge the cross–currency risks to which it is exposed in respect of the Swiss Note.

For further information about the Swap Agreements and the transactions entered into pursuant thereto, see "Description of the Swap Agreements" at page 188.

Payments of interest on the Loans may, under certain circumstances, be delayed. Such delays could adversely impact upon the ability of the Issuer to make timely payments of interest in respect of the Notes. In order to protect the Issuer against this risk, the Issuer and Calyon (London Branch) (in such capacity, the "**Liquidity Facility Provider**") will enter into a liquidity facility agreement on the Closing Date (the "**Liquidity Facility Agreement**"). As well as covering delays in the payment of interest in respect of the Loans, the Liquidity Facility Agreement will also permit the Issuer to make drawings to pay certain expenses from time to time of the Issuer, the ATU Issuer and the Swiss Issuer. Accordingly, the Issuer will be able to draw funds under the Liquidity Facility Agreement if:

(a) actual interest receipts received by the Issuer from the Dutch Borrower, the German Borrowers, the ATU Issuer and the Swiss Issuer during any Interest Period are less than the scheduled interest receipts that the Issuer expected to receive during such period in respect of the Dutch Loan, the German Loans (other than the ATU Loan), the ATU Note and the Swiss Note (an "**Interest Shortfall**");

(b) on any day, the Issuer, the ATU Issuer or the Swiss Issuer are required to pay amounts due to any third party creditor including an Issuer Related Party, an ATU Issuer Related Party or a Swiss Issuer Related Party, respectively, the Issuer and the ATU Issuer or the Swiss Issuer, as applicable, does not have sufficient funds to make the necessary payment (an "**Expenses Shortfall**"); and

(c) on any day, any of the Issuer, the ATU Issuer or the Swiss Issuer are required to pay certain amounts to third parties, such as insurers and persons providing services in connection with a Property that have not been paid by the Borrowers due to insufficient funds to pay such amounts and making such payment would preserve or enhance the value of the relevant Property (a "**Property Protection Shortfall**").

Where an Interest Shortfall has arisen, the Issuer will apply funds drawn under the Liquidity Facility Agreement in payment of its obligations to, among others, the Noteholders. Where an Expenses Shortfall or a Property Protection Shortfall has arisen, the Issuer will apply funds drawn under the Liquidity Facility Agreement either, if the relevant expense that gives rise to the Expenses Shortfall or a Property Protection Shortfall, as the case may be, is an obligation of or may only be discharged by the Issuer, in payment of such expense or if the relevant expense that gives rise to the Expenses Shortfall or the Property Protection Shortfall, as the case may be, is an obligation of or may only be discharged by the ATU Issuer or the Swiss Issuer, in making an inter-company loan to the ATU Issuer or the Swiss Issuer, as applicable, for the payment of such expense, pursuant to an inter-company loan agreement between the Issuer and the Swiss Issuer (the "**Swiss Inter-company Loan Agreement**") or an inter-company loan agreement between the Issuer and the ATU Issuer (the "**ATU Inter-company Loan Agreement**" and together with the Swiss Inter-company Loan Agreement, the "**Inter-company Loan Agreements**"), as applicable.

For further information about the Liquidity Facility Agreement and the Inter-company Loan Agreements, see "The Liquidity Facility Agreement and Inter-company Loan Agreements" at page 182.

The Issuer will grant security (the "**Issuer Security**") for its obligations under the Notes and the Transaction Documents to the Issuer Security Trustee for itself, the Noteholders and the Issuer Related Parties (collectively, the "**Issuer Secured Creditors**"). The Issuer Security will comprise security interests granted in respect of the Issuer Assets and security interests granted in respect of the Issuer's remaining assets, including its rights under the various contractual documents it enters into in connection with the issuance of the Notes. The former category of security interests will be granted pursuant to individual security agreements governed by the same law that governs the relevant Issuer Asset, while the latter category of security interests will be granted pursuant to a separate deed governed by English law. Thus, on the Closing Date, the Issuer and the Issuer Security Trustee will, in respect of the Non-ATU German Related Security enter into security agreements governed by German law (the "**German Security Agreement**"), and in respect of the ATU Note, will enter into a pledge agreement governed by Luxembourg law (the "**Luxembourg Security Agreement**") and in respect of the Swiss Note, will enter into a pledge agreement governed by Swiss law (the "**Swiss Security Agreement**") as well as a deed of charge and assignment governed by English Law (the "**Deed of Charge and Assignment**" and, together with the German Security Agreement, the Luxembourg Security Agreement and the Swiss Security Agreement, the "**Issuer Security Documents**"). The Issuer Security shall become enforceable upon service of a Note Acceleration Notice, as described in this Offering Circular.

For further information about the constitution and enforcement of the Issuer Security, see "Terms and Conditions of the Notes" at page 257.

There is no intention to accumulate any surplus funds in the ATU Issuer as security for any future payments of interest on and repayments of principal of the ATU Note, though the ATU Issuer will have a transaction account to which funds will be credited from time to time. There is also no intention to accumulate any surplus funds in the Swiss Issuer as security for any future payments of interest on and repayments of principal of the Swiss Note, though the Swiss Issuer will have a transaction account to which funds will be credited from time to time. There is also no

intention to accumulate any surplus funds in the Issuer as security for any future payments of interest on and repayment of principal of the Notes, though the Issuer will have a transaction account to which funds will be credited from time to time.

SUMMARY

The Issuer and its Related Parties

Issuer

DECO 7 – Pan Europe 2 p.l.c. (the "**Issuer**"), a public company incorporated with limited liability in Ireland, whose registered office is at First Floor, 7 Exchange Place, International Financial Services Centre, Dublin 1, Ireland.

Note Trustee

Deutsche Trustee Company Limited, a limited liability company incorporated in England, whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB (in such capacity, the "**Note Trustee**") will act as trustee for the holders of the Notes pursuant to a trust deed (the "**Note Trust Deed**") to be entered into on the Closing Date between the Note Trustee and the Issuer.

Issuer Security Trustee

Deutsche Trustee Company Limited (in such capacity, the "**Issuer Security Trustee**") will act as security trustee and hold on trust for itself and the other Issuer Secured Creditors or as agent for the other Issuer Secured Creditors, as the case may be, the security granted by the Issuer in favour of the Issuer Secured Creditors pursuant to the Issuer Security Documents, such security constituting the Issuer Security. The nature of the Issuer Security Trustee's role varies depending on the nature and governing law of the relevant security interest.

Issuer Servicer

Deutsche Bank AG, London Branch, located at Winchester House, 1 Great Winchester Street, London EC2N 2DB (in such capacity, the "**Issuer Servicer**"), will act as servicer of the Issuer Assets pursuant to an agreement to be entered into on the Closing Date between, among others, the Issuer, the Issuer Security Trustee and the Issuer Servicer (the "**Issuer Servicing Agreement**"). The Issuer Servicer shall be responsible for servicing the ATU Note and the Swiss Note and, save to the extent that any of them are being serviced by the Issuer Special Servicer, servicing the Dutch Loan and the German Loans (other than the ATU Loan).

Issuer Special Servicer

Hatfield Philips International Limited, a limited liability company formed under the laws of England and Wales, acting out of its office at 34th Floor, 25 Canada Square, Canary Wharf, London E14 5LB (in such capacity, the "**Issuer Special Servicer**"). In due course, the Operating Adviser appointed by the Controlling Party may in relation to the Dutch Loan or a German Loan (other than the ATU Loan) direct that the person then acting as Issuer Special Servicer for the Dutch Loan or that German Loan be replaced by a person nominated by the Operating Adviser provided that any such replacement will not result in the then current rating assigned to any class or classes of Notes being downgraded, withdrawn or qualified. To that extent, the Issuer Special Servicer in respect of the Dutch Loan or a relevant German Loan may be different from the Issuer Special Servicer in respect of the other German Loans.

For further information about the Issuer Special Servicer and its activities and the circumstances in which the German Loans (other than the ATU Loan) may become serviced by the Issuer Special Servicer, see "Servicing and Intercreditor Arrangements for the Issuer Assets" at Page 205.

Cash Manager and Operating Bank

Deutsche Bank AG, London Branch will act as cash manager and operating bank (in such capacities, the "**Cash Manager**" and the "**Operating Bank**" respectively) pursuant to a cash management agreement to be entered into on the Closing Date between, among others, the Cash Manager, the Operating Bank, the Issuer Security Trustee and the Issuer (the "**Cash Management Agreement**").

Agent Bank and Principal Paying Agent

Deutsche Bank AG, London Branch will act as principal paying agent and agent bank (in such capacities, the "**Principal Paying Agent**" and, together with the Irish Paying Agent and any other paying agent appointed pursuant to the Agency Agreement, together the "**Paying Agents**", and the "**Agent Bank**" respectively) pursuant to an agency agreement to be entered into on the Closing Date between, among others, the Paying Agents, the Agent Bank and the Issuer (the "**Agency Agreement**").

Depository, Registrar and Exchange Agent

Deutsche Bank Trust Company Americas located at 1761 East St. Andrew Place, Santa Ana, California 92705 will act as depository and registrar (in such capacities, the "**Depository**" and "**Registrar**", respectively) pursuant to a depository agreement to be entered into on the Closing Date between, among others, the Issuer, the Depository and the Registrar and as exchange agent (in such capacity, the "**Exchange Agent**") pursuant to an exchange agency agreement to be entered into on the Closing Date between, among others, the Issuer and the Exchange Agent (the "**Exchange Agency Agreement**").

Irish Paying Agent

Deutsche International Corporate Services (Ireland) Limited, whose registered office is at 5 Harbourmaster Place, International Financial Services Centre, Dublin 1, Ireland will act as Irish paying agent to the Issuer (the "**Irish Paying Agent**"), pursuant to the Agency Agreement.

Issuer Corporate Services Provider

Wilmington Trust SP Services (Dublin) Limited, whose registered office is at First Floor, 7 Exchange Place, International Financial Services Centre, Dublin 1, Ireland will act as corporate services provider to the Issuer (the "**Issuer Corporate Services Provider**"), pursuant to a corporate services agreement to be entered into on the Closing Date between, among others, the Issuer and the Issuer Corporate Services Provider (the "**Issuer Corporate Services Agreement**").

Swap Provider

Deutsche Bank AG, London Branch will act as Swap Provider pursuant to the Swap Agreements.

Liquidity Facility Provider

Calyon (London Branch) (the "**Liquidity Facility Provider**") acting through its office at Broadwalk House, 5 Appold Street, London EC2A 2DA will act as Liquidity Facility Provider pursuant to the Liquidity Facility Agreement.

Issuer Related Parties

The Note Trustee, the Issuer Security Trustee, the Issuer Servicer, the Issuer Special Servicer, the Cash Manager, the Operating Bank, the Agent Bank, the Principal Paying Agent, the Irish Paying Agent, the Registrar, the Depository, the Exchange Agent, the Issuer Corporate Services Provider, the Swap Provider and the Liquidity Facility Provider are together referred to in this Offering Circular as the "**Issuer Related Parties**".

Controlling Party and Operating Adviser

The "**Controlling Party**" in relation to any Loan will have certain rights in respect of it. The Controlling Party varies from Loan to Loan:

(a) in relation to a German Loan (other than the ATU Loan) or a Swiss Loan in respect of which there is a Subordinated Loan, the Controlling Party will be the relevant Subordinated Lender, provided a Control Valuation Event has not occurred in relation to that Loan;

(b) in relation to the Dutch Loan or a German Loan (other than the ATU Loan) in respect of which there is no Subordinated Loan or if there is a Subordinated Loan, in respect of which a Control Valuation Event has occurred, the Controlling Party will be the Controlling Class;

(c) in relation to the Swiss Loan in the event that a Control Valuation Event has occurred, the Controlling Party will be the holder of the Swiss Note, being as at the Closing Date, the Issuer; and

(d) In respect of the ATU Loan, the Controlling Party will be:

(i) the ATU Subordinated C Lender, for so long as a Control Valuation Event has not occurred in respect of the ATU Subordinated C Loan;

(ii) the ATU Subordinated B Lender, for so long as a Control Valuation Event has occurred in respect of the ATU Subordinated C Loan but has not occurred in respect of the ATU Subordinated B Loan; and

(iii) if a Control Valuation Event has occurred in respect of both ATU Subordinated Loans, the ATU Senior Lender, being as at the Closing Date, the Issuer.

In the event that the Issuer is the Controlling Party, the rights of the Issuer in such capacity will be exercised by the Controlling Class (the "**Controlling Class**" for these purposes being the holders of the most junior ranking class of notes then outstanding (other than the Class X Notes) which have a total Principal Amount Outstanding (after deducting any applicable NAI Amounts) that is not less than 25 per cent. of the Principal Amount Outstanding of that class as at the Closing Date. If no class of Notes has a Principal Amount Outstanding (after deducting any applicable NAI Amounts) that satisfies this requirement, then the Controlling Class will be the most junior class of Notes then outstanding). As at the Closing Date, the holders of the Class H Notes will be the Controlling Class.

The Controlling Party in relation to a Loan will be entitled to elect a representative (the "**Operating Adviser**") who will have the right to require the Issuer, the ATU Issuer or the Swiss Issuer, as the case may be, to appoint an Issuer Special Servicer, an ATU Issuer Special Servicer or a Swiss Issuer Special Servicer, as the case may be, in respect of that Loan and, if that Loan is a Senior Loan, its related Subordinated Loan, and to be consulted on certain matters relating to the servicing and enforcement of that Loan and, if applicable, its related Subordinated Loan. The Controlling Party (to the extent it is a Subordinated Lender) itself will have the right to consent to certain matters relating to the relevant Loan and, if that Loan is a Senior Loan, its related Subordinated Loan or Subordinated Loans, in addition to the rights of the Operating Adviser. Notwithstanding any of the consent rights of the Subordinated Lenders, in no circumstances shall the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer or the Swiss Issuer Special Servicer follow any direction of any Subordinated Lender if such action would contradict the Servicing Standard and none of the consent rights of the Subordinated Lenders will prevent the Issuer Special Servicer, the ATU Issuer Special Servicer or the Swiss Issuer Special Servicer from completing any enforcement action, realising upon the security for the relevant Loan in connection with any action otherwise taken in accordance with the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement or the Swiss Issuer Servicing Agreement, as the case may be.

For further information about the role and rights of the Operating Adviser, see "Servicing and Intercreditor Arrangements for the Swiss Assets" at Page 190, "Servicing and Intercreditor Arrangements for The Issuer Assets" at Page 205 and "Servicing and Intercreditor Arrangements for the ATU Assets" at Page 221.

The Issuer Assets and the Originated Assets

The Issuer Assets

The Issuer Assets comprise the ATU Note Assets, the Dutch Assets, the Non-ATU German Assets and the Swiss Note.

The ATU Note is the obligation of the ATU Issuer only, the Dutch Loan is the obligation of the Dutch Borrower only, the German Loans are the obligations of the relevant German Borrowers only, and the Swiss Note is the obligation of the Swiss Issuer only.

Payments of interest on and repayments of principal in respect of the ATU Note will be made primarily from payments of interest on and repayments of principal in respect of the ATU Loan. The ATU Loan is, in turn, the obligation of the ATU Borrower only.

Payments of interest on and repayments of principal in respect of the Swiss Note will be made primarily from payments of interest on and repayments of principal in respect of the Swiss Loan. The Swiss Loan is, in turn, the obligation of the Swiss Borrower only.

For further information about the Loans, see ''The Loans and Related Security – The Dutch Loan'' at Page 95, ''The Loans and Related Security – The German Loans'' at Page 100 and ''The Loans and Related Security – The Swiss Loan'' at Page 141.

For further information about the ATU Note, see ''The ATU Note'' at Page 156.

For further information about the Swiss Note, see ''The Swiss Note'' at Page 160.

Lending Criteria

All of the Loans were originated by the Originator in accordance, in all material respects, with Deutsche Bank AG, London Branch's lending criteria prevailing at the time of their origination, save insofar as specifically disclosed in this Offering Circular. The origination of each Loan was, however, a negotiated process.

For further information about the lending criteria applied by the Originator in originating the Originated Assets, see ''The Loans and Related Security – Lending Criteria'' at Page 89.

Valuations

In relation to each of the Originated Assets, the Originator obtained an independent valuation of the related Property or Properties (the ''**Origination Valuations**''). The Origination Valuations were provided by nationally or internationally recognised real property valuers, in accordance with their normally applicable standards.

No further independent valuations of the Properties will be undertaken nor will the Origination Valuations be updated at any time before the issuance of the Notes.

For further information about the valuation of the Properties, see ''Loans and Related Property Summaries'' at Page 165.

Germany

The German Originator and its Related Parties

German Originator

Deutsche Bank AG, London Branch, was the original lender of the German Loans.

German Facility Agent

Deutsche Bank AG, London Branch acts as facility agent under each of the German Loan Agreements (in such capacity, the ''**German Facility Agent**'').

German Security Trustee

Deutsche Bank AG, London Branch acts as security agent under each of the agreements constituting the ATU Related Security. On the ATU Closing Date, the ATU Originator transferred to the ATU Issuer, its right, title and interest in respect of the ATU Related Security. The ATU Issuer, in turn, transferred the ATU Related Security to Deutsche Bank AG, London Branch (in such capacity, the ''**ATU Security Trustee**''). The ATU Issuer is thus a beneficiary in respect of the ATU Related Security, as held by the ATU Security Trustee. The ATU Security Trustee will be required to hold and enforce the ATU Related Security subject to and in accordance with the terms of the ATU Intercreditor Deed and the ATU Related Security and the documents constituting it.

Deutsche Bank AG, London Branch acts as security agent or security trustee under each of the agreements constituting the Non-ATU German Related Security. On the Closing Date, the German Originator will transfer to the Issuer its right, title and interest in respect of the Non-ATU German Related Security. The Issuer, in turn, will transfer the Non-ATU German Related Security to Deutsche Bank AG, London Branch (in such capacity, the ''**Non-ATU German Security Trustee**'' and, together with the ATU Security Trustee, the ''**German Security Trustee**''). The Issuer will thus become a beneficiary in respect of the Non-ATU German Related Security as held by the Non-ATU German Security Trustee. If a German Loan (other than the ATU Loan) comprises

a German Senior Loan, the relevant German Subordinated Lender will also be a beneficiary of the Non-ATU German Related Security securing that German Senior Loan. The Non-ATU German Security Trustee will be required to hold and enforce the related Non-ATU German Related Security subject to and in accordance with the terms of the related German Intercreditor Deed, if applicable, the relevant Non-ATU German Related Security and the documents constituting it.

The German Assets

German Loans

The German Loans were originated by the German Originator in 2005 and as at the Cut-Off Date had an aggregate principal amount outstanding of €1,330,161,754. The German Loans shall (subject to the completion, in certain cases, of registration requirements) be secured by, among other things, first ranking (or, in the case of one of the Properties relating to the ATU Loan, second ranking and, in the case of two of the Properties relating to the GWK Loan, second or third ranking), fully perfected certificated mortgages or land charges (*Briefgrundschulden*) over the German Properties, which are, in all cases, governed by German law. The rights of the ATU Issuer in respect of the ATU Loan and those of the ATU Subordinated Lenders are regulated by the ATU Intercreditor Deed. The rights of the Issuer in respect of any other German Loan which is a German Senior Loan and those of the related German Subordinated Lender are regulated by the related German Intercreditor Deed.

For further information about the ATU Intercreditor Deed, see "Servicing and Intercreditor Arrangements for the ATU Assets – ATU Intercreditor Deed" at Page 229. For further information about the German Intercreditor Deeds, see "Servicing and Intercreditor Arrangements for the Issuer Assets – German Intercreditor Deeds" at Page 215.

German Borrowers

The German Borrowers were all established under the laws of Germany apart from the ATU Borrower and the Karstadt Kompakt Borrowers, which were established in the Netherlands under Dutch law and apart from the Jargonnant Borrower, which was established in Luxembourg under Luxembourg law. The Procom Borrowers have also moved their centres of administration (*tatsächlicher Verwaltungssitz*) to Luxembourg.

Except as otherwise described in this Offering Circular in respect of the GWK Borrower, each German Borrower exists for the purpose of acquiring the German Properties of which it is owner, financing or refinancing that purchase, and carrying on activities incidental to the ownership of those German Properties and accordingly, each German Borrower (other than the GWK Borrower) is a limited purpose entity, though in certain cases, as described further in this Offering Circular, the German Borrowers have certain historic trading activities. The German Borrowers are all sponsored by professional property investors.

Payments on the German Loans

Payments of interest on and repayments of principal in respect of the German Loans will be made from Rental Income generated by the German Properties. To the extent that such principal repayments are not made from such Rental Income, it is anticipated that they will be made from Refinancing Proceeds in respect of the German Loans or Disposal Proceeds in respect of the German Properties.

Each German Borrower has opened a bank account in its own name (a "**German Borrower Rent Account**"). All Rental Income owing to a German Borrower in respect of a German Property is paid directly or indirectly subject in some cases to permitted deductions, into the relevant German Borrower Rent Account. Each German Borrower Rent Account is under the control of the German Security Trustee and is subject to a first ranking, fully perfected, security interest by way of a German law governed assignment for security purposes or pledge, as the case may be, in favour of the German Security Trustee. Accordingly, the German Security Trustee obtains control of the Rental Income generated in respect of the German Loans.

For further information about bank account arrangements in relation to the German Loans, see "The Loans and Related Security – The German Loans" at Page 100.

On each date on which a German Borrower is obliged, under the relevant German Loan Agreement, to make a payment of interest, repayment of principal or payment of any other amount due thereunder (each a "**German Loan Interest Payment Date**"), the German Security Trustee, or the Issuer Servicer after the Closing Date, will withdraw from the applicable German Borrower Rent Account, the amounts which are necessary to make such payments. Following the Closing Date, such payments will be made to the Issuer (or, in the case of the ATU Loan, to the ATU Issuer) and the relevant amounts shall be paid from the relevant German Borrower Rent Account, subject to the provisions of any relevant Intercreditor Deed, into the Issuer Transaction Account.

German Related Security

The principal elements of the German Related Security are in general:

(a) first ranking and fully perfected certified mortgages or land charges (*Briefgrundschulden*) over the German Properties;

(b) a first ranking and fully perfected pledge over the ownership interests in the German Borrowers;

(c) a first ranking and fully perfected assignment for security purposes or pledge, as the case may be, of the Rental Income payable in respect of the German Properties;

(d) a first ranking and fully perfected assignment of all amounts which are or may become due under certain insurance policies in respect of the German Properties or, to the extent that the insurance policies are not assignable, a mortgagee interest in such policies, pursuant to Sections 1128 and 1130 of the German Civil Code;

(e) a first ranking and fully perfected assignment of any Disposal Proceeds arising in respect of the German Properties; and

(f) a first ranking and fully perfected pledge over the German Borrower Rent Accounts and certain other bank accounts established pursuant to the German Loan Agreements,

though each German Loan has its own particular security package and not all elements listed above will necessarily be present in the context of each German Loan. All elements of the German Related Security, other than certain of the pledges over the ownership interests relating to certain of the German Borrowers and certain of the account pledges relating to certain of the German Borrowers are governed by German law. The ownership interest pledges and certain of the account pledges in respect of the ATU Loan and the Karstadt Kompakt Loan are governed by Dutch law (being the law under which the relevant Borrowers are organised and the law of jurisdiction where the relevant account bank is located, as the case may be). The ownership interest pledges in respect of the Jargonnant Loan and certain of the ownership interest pledges in respect of the Procom Loan are governed by Luxembourg Law.

Under the terms of the German Loan Agreements, the German Borrowers, except as otherwise described in this Offering Circular, are required to maintain insurance cover in respect of the German Properties, including fixtures and improvements, on a full reinstatement basis, with insurance for not less than a specified minimum number of years loss of rent, insurance against third party liabilities, insurance against acts of terrorism and such other insurance that a prudent company in the business of the German Borrowers would effect from time to time, though again, each German Loan Agreement has its own particular insurance requirements.

German Properties

There are 452 German Properties in aggregate, which are a mixture of properties used for commercial and multifamily purposes, there being 353 properties used for commercial purposes and 99 properties used for multifamily purposes. The properties used for commercial purposes are retail properties and office properties.

On the basis of the Origination Valuations of the German Properties, the weighted average loan to value ratio ("**LTV**") of the German Loans as at the Cut-off Date was 68.1 per cent., the aggregate Origination Valuations of the German Properties being €1,970,824,415. The expected weighted average LTV of the German Loans at the time of their maturity is 63.0 per cent., again based on the Origination Valuations of the German Properties.

For further information about the German Loans and the German Related Security, see "The Loans and Related Security – The German Loans" at Page 100.

The ATU Issuer and its Related Parties

ATU Issuer

DECO-ABC 1 p.l.c. (the "**ATU Issuer**") was incorporated in Ireland, on 18th November 2005, as a public company with limited liability under the Irish Companies Acts, 1963 to 2005 with company registration number 411117. The registered office of the ATU Issuer is at Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland.

The activities of the ATU Issuer include purchasing the ATU Assets from the ATU Originator, issuing the ATU Note and undertaking activities ancillary thereto. The ATU Issuer has also issued a subordinated class B note (the "**ATU Subordinated B Note**") and a subordinated class C note (the "**ATU Subordinated C Note**" and, together with the ATU Subordinated B Note, the "**ATU Subordinated Notes**"). The ATU Issuer has also entered into certain swap transactions in relation to the ATU Subordinated Notes.

For further information about the ATU Issuer, see "The ATU Note – The ATU Issuer" at Page 156.

ATU Issuer Note Trustee

Deutsche Bank AG, London Branch (in such capacity, the "**ATU Issuer Note Trustee**") acts as trustee for the holders of the ATU Note pursuant to a trust deed (the "**ATU Issuer Note Trust Deed**") entered into on the ATU Closing Date between the ATU Issuer Note Trustee and the ATU Issuer.

ATU Issuer Security Trustee

Deutsche Bank AG, London Branch (in such capacity, the "**ATU Issuer Security Trustee**") acts as security trustee and holds on trust for itself and the other ATU Issuer Secured Creditors the security granted by the ATU Issuer in favour of the ATU Issuer Secured Creditors pursuant to a deed of charge and assignment (the "**ATU Issuer Deed of Charge and Assignment**") entered into on the ATU Closing Date (and amended on 16 March 2006) between, among others, the ATU Issuer Security Trustee and the ATU Issuer.

ATU Issuer Servicer

Deutsche Bank AG, London Branch acts as servicer of the ATU Assets (in such capacity, the "**ATU Issuer Servicer**") pursuant to a servicing agreement (the "**ATU Issuer Servicing Agreement**") entered into on the ATU Closing Date (and amended on 16 March 2006) between, among others, the ATU Issuer Servicer, the ATU Issuer Special Servicer and the ATU Issuer. In undertaking its functions and performing its duties and obligations, the ATU Issuer Servicer will acknowledge, comply with and act in accordance with the Servicing Standard it owes to the Issuer in its capacity as holder of the ATU Note.

For further information about the ATU Issuer Servicer and its activities, see "Servicing and Intercreditor Arrangements for the ATU Assets" at Page 221.

ATU Issuer Special Servicer

Under certain circumstances, the ATU Loan may become a specially serviced loan. The special servicing of the ATU Loan may be undertaken by an entity other than the ATU Issuer Servicer (such entity being the "**ATU Issuer Special Servicer**"). In undertaking its functions and performing its duties and obligations, the ATU Issuer Special Servicer will be subject to and be required to comply with the same restrictions and parameters as are applicable to the ATU Issuer Servicer. The ATU Issuer Special Servicer may be different from the Issuer Special Servicer in respect of the other German Loans. In due course, the Operating Adviser appointed by the Controlling Party may, in relation to the ATU Loan, direct that the person then acting as ATU Issuer Special Servicer be replaced by a person nominated by the Operating Adviser provided, among other things, that such replacement will not result in the then current rating assigned to any class or classes of Notes being downgraded, withdrawn or qualified. The ATU Issuer Special Servicer on the Closing Date is Hatfield Phillips International Limited.

For further information about the ATU Issuer Special Servicer and its activities, see "Servicing and Intercreditor Arrangements for the ATU Assets" at Page 221.

ATU Issuer Corporate Services Provider

Structured Finance Management (Ireland) Limited acts as corporate services provider to the ATU Issuer (in such capacity, the "**ATU Issuer Corporate Services Provider**") pursuant to a corporate services agreement (the "**ATU Issuer Corporate Services Agreement**") entered into on the ATU Closing Date between, among others, the ATU Issuer Corporate Services Provider and the ATU Issuer. The ATU Issuer Corporate Services Provider is a company incorporated in Ireland. The activities of the ATU Issuer Corporate Services Provider involve it performing certain corporate and administrative services for the ATU Issuer.

ATU Issuer Operating Bank

Deutsche Bank AG, London Branch will act as operating bank to the ATU Issuer (the "**ATU Issuer Operating Bank**"). The ATU Issuer will maintain the ATU Issuer Tranching Account with the ATU Issuer Operating Bank, which will be used by it to receive, among other things, payments of interest on and repayments of principal in respect of the ATU Loan.

ATU Issuer Collection Bank

Deutsche Bank AG, London Branch will act as collection bank to the ATU Issuer (the "**ATU Issuer Collection Bank**"). The ATU Issuer will maintain the ATU Issuer Collection Accounts with the ATU Issuer Collection Bank, which will be used by it to make, among other things, payments of interest on and repayments of principal in respect of the ATU Note.

ATU Issuer Paying Agent

Deutsche Bank AG, London Branch will act as the paying agent (the "**ATU Issuer Paying Agent**") of the ATU Issuer pursuant to an agency agreement (the "**ATU Issuer Agency Agreement**") entered into on the ATU Closing Date between, among others, the ATU Issuer Paying Agent, the ATU Issuer Registrar, the ATU Issuer Operating Bank and the ATU Issuer.

ATU Issuer Registrar

Deutsche Bank Luxembourg S.A. will act as the registrar (the "**ATU Issuer Registrar**") of the ATU Issuer in respect of the ATU Note and ATU Subordinated Notes pursuant to the ATU Issuer Agency Agreement.

ATU Issuer Swap Provider

Deutsche Bank AG, London Branch will act as swap provider to the ATU Issuer in respect of certain swap transactions relating the ATU Subordinated Notes (the "**ATU Issuer Swap Provider**").

ATU Issuer Related Parties

The ATU Issuer Note Trustee, the ATU Issuer Security Trustee, the ATU Issuer Servicer, any ATU Issuer Special Servicer, the ATU Issuer Corporate Services Provider, the ATU Issuer Swap Provider, the ATU Issuer Operating Bank, the ATU Issuer Collection Bank, the ATU Issuer Paying Agent and the ATU Issuer Registrar are together referred to as in this Offering Circular the "**ATU Issuer Related Parties**".

The ATU Note Assets

For further information about ATU Note Assets, see "Summary – The German Assets" at Page 20 and "The Loans Related Security – The German Loans" at Page 100.

The ATU Note

Status and Form

The ATU Note was issued by the ATU Issuer on the ATU Closing Date in an aggregate principal amount of €410,000,000. The ATU Note was initially subscribed for by the ATU Originator. The principal amount of the ATU Note was increased on 14 March 2006 to

€470,595,000 and, on the same date, the principal amount of the ATU Subordinated B Note was reduced by a commensurate amount. On the Closing Date, the Issuer will purchase the ATU Note from the ATU Originator and the Issuer will be reflected as the holder of the ATU Note on its face and in the register maintained by the ATU Issuer Registrar.

Liability and Limited Recourse

The ATU Note is not the obligation or responsibility of any person other than the ATU Issuer. In particular, the ATU Note is not the obligation or responsibility of the ATU Originator, the German Facility Agent, the German Security Trustee or the ATU Issuer Related Parties or any of their respective affiliates and none of such persons accepts any liability whatsoever in respect of any failure of the ATU Issuer to make payments of any amounts due in respect of the ATU Note.

The ATU Note is a secured obligation of the ATU Issuer, such security having been granted to the ATU Issuer Security Trustee.

As the ATU Assets are the only assets of the ATU Issuer available to meet its obligations in respect of the ATU Note, claims against the ATU Issuer by holders of the ATU Note are limited to the value of the ATU Assets, having regard, where relevant, to the terms of the ATU Intercreditor Deed, the ATU Note and the ATU Subordinated Notes. The proceeds of realisation of the ATU Assets may, after paying or providing for all prior-ranking claims against the ATU Issuer, be less than the sums expected by the ATU Issuer as the holder of the ATU Note in respect thereof. All claims in respect of such shortfall, after realisation of the ATU Assets, will be extinguished.

Interest

The ATU Note does not, according to its terms, bear interest at a specifically prescribed rate of interest. The ATU Note does, however, bear interest on the principal amount outstanding of the ATU Note. The amount of such interest is based upon the amount of interest received by the ATU Issuer in respect of the ATU Loan, subject, where relevant, to the terms of the ATU Intercreditor Deed. The amount of interest payable in respect of the ATU Note will, however, be reduced by certain expenses paid by the ATU Issuer in relation to the issuance of the ATU Notes. Interest on the ATU Note will be payable if and to the extent that funds are available to the ATU Issuer for these purposes, after the payment of such expenses.

Interest in respect of the ATU Note is payable quarterly in arrear one Business Day after each ATU Loan Interest Payment Date. ''**Business Day**'' shall, for these purposes, mean any day other than a Saturday, a Sunday or any day on which the ATU Issuer Note Trustee, the ATU Issuer Operating Bank, any ATU Issuer Paying Agent, the ATU Issuer Registrar or any banking institution where any accounts of the ATU Issuer are held is authorised or obligated by law or governmental decree to close (each such day being an ''**ATU Note Interest Payment Date**''). The first ATU Note Interest Payment Date occurred in January 2006.

In the event of any withholding or deduction for or on account of tax being imposed, as a result of a change of law from that which is in effect at the ATU Closing Date, on payments of interest on and repayments of principal in respect of the ATU Note, the ATU Issuer will, as described further below, be required to redeem the ATU Note in full, but will not be obliged to pay additional amounts in respect of such withholding or deduction. As at the date of this Offering Circular and assuming that the ATU Note is held by the Issuer as described in this Offering Circular, Irish law does not impose any withholding or deduction for or on account of tax on payments of interest on and repayments of principal of the ATU Note.

Principal Final Redemption

Unless previously redeemed, the ATU Note will be redeemed at its principal amount outstanding together with accrued interest, on the ATU Note Interest Payment Date falling in October 2012 (the ''**ATU Note Maturity Date**'').

Mandatory Redemption in Whole or Part upon Repayment, Prepayment, Repurchase or Disposal

The ATU Note is subject to mandatory redemption in whole or in part in the event of any repayment or prepayment of the ATU Loan in whole or in part by the ATU Borrower. The ATU Note will also be subject to mandatory redemption in the event that the holder of the ATU Note elects to exercise its option to redeem the ATU Note in exchange for a direct holding in the ATU Senior Loan, which it is entitled to do under the terms of the ATU Note.

For further information on the mandatory redemption of the ATU Note, see ''Available Funds and their Priority of Application – The ATU Note'', at Page 38 and ''The ATU Note'' at Page 156.

Mandatory Redemption in Whole for Tax Reasons

The ATU Note is subject to redemption in whole, but not in part, if so requested by an extraordinary resolution, or at the written direction of, not less than $66^{2}/_{3}$ per cent. of the ATU Noteholders, if by virtue of a change in law from that which was in effect at the ATU Closing Date, the ATU Issuer is obliged to make any withholding or deduction for tax from payments in respect of, the ATU Note and such requirement cannot be avoided by the ATU Issuer taking reasonable measures available to it.

Such redemption will be subject to the ATU Issuer certifying to the ATU Issuer Note Trustee that it will have sufficient funds available to it to discharge all liabilities in respect of or connected with the ATU Note.

Rating and Listing

The ATU Note is not rated by any of the Rating Agencies nor by any other rating agency, nor is it listed on any stock exchange.

Sales Restrictions

The ATU Note was issued to the ATU Originator pursuant to a subscription agreement (the ''**ATU Note Subscription Agreement**''). On the Closing Date, the Issuer will purchase the ATU Note from the ATU Originator pursuant to a note sale agreement (the ''**ATU Note Sale Agreement**''). Prior to the enforcement of the Issuer Security it is expected that, from the Closing Date, the ATU Note will at all times be held by the Issuer only.

For further information about the ATU Note, see ''The ATU Note'' at Page 156.

The Netherlands

The Dutch Originator and its Related Parties

Dutch Originator

Deutsche Bank AG, London Branch was the originator of the Dutch Loan.

Dutch Facility Agent

Deutsche Bank AG, London Branch acts as facility agent under the Dutch Loan Agreements (in such capacity, the ''**Dutch Facility Agent**'').

Dutch Security Trustee

Deutsche Trustee Company Limited acts as security trustee, under each of the agreements constituting the Dutch Related Security. Deutsche Trustee Company Limited (in such capacity, the ''**Dutch Security Trustee**''), will, notwithstanding the sale of the Dutch Loan to the Issuer, remain the named holder of the Dutch Related Security and may enforce such Dutch Related Security in its own name, pursuant to a parallel debt owed to it under the terms of the Dutch Loan Agreement.

The Dutch Assets

Dutch Loan

The Dutch Loan was originated by the Dutch Originator on the WFC Loan Origination Date. As at the WFC Loan Origination Date, the WFC Loan had an aggregate principal amount outstanding of €117,000,000 (which, for the purposes of this Offering Circular, shall also be deemed to be the aggregate outstanding principal amount of the WFC Loan as at the Cut-Off Date, notwithstanding the fact that the WFC Loan was originated after the Cut-Off Date). The Dutch Loan shall be secured by, among other things, first ranking and fully perfected mortgages (*hypotheek*) over the Dutch Properties, which are governed by Dutch law.

Dutch Borrower

The Dutch Borrower is established under the laws of the Netherlands. The Dutch Borrower exists for the purpose of acquiring the Dutch Properties and carrying on activities incidental to the ownership of those Dutch Properties and accordingly, the Dutch Borrower is a limited purpose entity. The Dutch Borrower is sponsored by professional property investors.

Payments on the Dutch Loan

Payments of interest on and repayments of principal in respect of the Dutch Loan will be made from Rental Income generated by the Dutch Properties. To the extent that such principal repayments are not made from such Rental Income, it is anticipated that they will be made from Refinancing Proceeds in respect of the Dutch Loan or Disposal Proceeds in respect of the Dutch Properties.

The Dutch Borrower has opened a bank account in its own name (the "**WFC Borrower Rent Account**". The WFC Property Manager has opened two bank accounts in its own name (together, the "**WFC Property Manager Accounts**"). All Rental Income owing to the Dutch Borrower in respect of a Dutch Property is paid directly into the WFC Property Manager Accounts. The WFC Property Manager will pay all Rental Income (net of certain deductions) received by it, into the WFC Borrower Rent Account. The WFC Borrower Rent Account is under the control of the Dutch Security Trustee and is subject to a first ranking, fully perfected security interest, in favour of the Dutch Security Trustee. Accordingly, the Dutch Security Trustee obtains control of the Rental Income generated in respect of the Dutch Loan.

For further information about bank account arrangements in relation to the Dutch Loan, see "The Loans and Related Security – The Dutch Loan" at Page 95.

On each date on which the Dutch Borrower is obliged, under the Dutch Loan Agreement, to make a payment of interest, repayment of principal or payment of any other amount due thereunder (each a "**Dutch Loan Interest Payment Date**"), the Dutch Security Trustee, or the Issuer Servicer after the Closing Date, will withdraw from the WFC Borrower Rent Account the amounts which are necessary to make such payments. Following the Closing Date, such payments will be made to the Issuer and the relevant amounts shall be paid from the WFC Borrower Rent Account into the Issuer Transaction Account.

Dutch Related Security

The principal elements of the Dutch Related Security are:

(a) first ranking and fully perfected mortgages (*hypotheek*) over the Dutch Properties;

(b) a first ranking and fully perfected pledge over the ownership interests in the Dutch Borrower;

(c) a first ranking and fully perfected undisclosed pledge of the Rental Income payable in respect of the Dutch Properties;

(d) a first ranking and fully perfected disclosed pledge of all rights to receive amounts which are or may become due under certain insurance policies in respect of the Dutch Properties; and

(e) a first ranking and fully perfected disclosed pledge over the WFC Borrower Rent Account and certain other bank accounts established pursuant to the Dutch Loan Agreement (except that one of the WFC Property Manager Accounts is subject to a prior ranking right of pledge and right of set-off in favour of the relevant account bank).

All elements of the Dutch Related Security are governed by Dutch law.

Under the terms of the Dutch Loan Agreement, the Dutch Borrower, is required to maintain insurance cover in respect of the Dutch Properties, including fixtures and improvements, on a full reinstatement basis, with insurance for not less than three years loss of rent, insurance against acts of terrorism and such other insurance that a prudent company in the business of the Dutch Borrower would effect from time to time.

Dutch Properties

There are 2 Dutch Properties in aggregate, which are used for commercial purposes, being office properties.

On the basis of the Origination Valuations of the Dutch Properties, the LTV of the Dutch Loan as at the Cut-off Date was 79.7 per cent., the aggregate Origination Valuations of the Dutch Properties being €146,890,000. The expected LTV of the Dutch Loan at the time of their maturity is 71.7 per cent., again based on the Origination Valuations of the Dutch Properties.

For further information about the Dutch Loan and the Dutch Related Security, see "The Loans and Related Security – The Dutch Loan" at Page 95.

Switzerland

The Swiss Originator and its Related Parties

Swiss Originator

Deutsche Bank AG, London Branch, was the original lender of the Swiss Loan.

Swiss Facility Agent

Deutsche Bank AG, London Branch acts as facility agent under the Swiss Loan Agreement (in such capacity (the "**Swiss Facility Agent**").

Swiss Security Agent

Deutsche Bank AG, London Branch acts as security agent, as applicable, under each of the agreements that constitute the Swiss Related Security (in such capacity the "**Swiss Security Agent**"). On the Closing Date, the Swiss Originator will transfer to the Swiss Issuer its interest in the Swiss Related Security.

The Swiss Issuer and its Related Parties

Swiss Issuer

DECO – PE2 Swiss AG (the "**Swiss Issuer**") is an *Aktiengesellschaft* incorporated under the laws of Switzerland with its principal office at c/o Treureva AG, Muehlebachstrasse 25, 8008 Zurich.

The activities of the Swiss Issuer include purchasing the Swiss Assets from the Swiss Originator, issuing the Swiss Note and undertaking activities ancillary thereto. The Swiss Issuer will also issue a subordinated note (the "**Swiss Subordinated Note**") relating to the Swiss Subordinated Loan.

For further information about the Swiss Issuer, see "The Swiss Note – The Swiss Issuer" at page 160.

Swiss Issuer Servicer

Deutsche Bank AG, London Branch will act as servicer of the Swiss Assets (in such capacity, the "**Swiss Issuer Servicer**") pursuant to an agreement to be entered into on the Closing Date between, among others, the Swiss Issuer, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer (the "**Swiss Issuer Servicing Agreement**"), save to the extent that any of the Swiss Assets are being specially serviced by a Swiss Issuer Special Servicer. In undertaking its functions and performing its duties and obligations, the Swiss Issuer Servicer will acknowledge, comply with and act in accordance with the Servicing Standard and the Duty of Care it owes to the Issuer in its capacity as holder of the Swiss Note.

For further information about the Swiss Issuer Servicer and its activities, see "Servicing and Intercreditor Arrangements for Swiss Assets" at page 190.

Swiss Issuer Special Servicer

Under certain circumstances, the Swiss Loan may become a specially serviced Loan. The special servicing of the Swiss Loan may be undertaken by an entity other than the Swiss Issuer Servicer (such entity being the "**Swiss Issuer Special Servicer**"). In undertaking its functions and performing its duties and obligations, the Swiss Issuer Special Servicer will be subject to and be required to comply with the same restrictions and parameters as are applicable to the Swiss Issuer

Servicer. In due course, the Operating Adviser appointed by the Controlling Party may in relation to the Swiss Loan direct that the person then acting as Swiss Issuer Special Servicer for the Swiss Loan be replaced by a person nominated by the Operating Adviser provided that such replacement will not result in the then current rating assigned to any class or classes of Notes being downgraded, suspended, withdrawn or qualified. The Swiss Issuer Special Servicer appointed on the Closing Date is Hatfield Phillips International Limited.

For further information about the Swiss Issuer Special Servicer and its activities, see ''Servicing and Intercreditor Arrangements for the Swiss Assets'' at page 190.

Swiss Issuer Shareholders

Mr Mathias Jermann of Dreihubelweg 8c, CH-3250 Lyss, CFMB GmbH, of Chamerstrasse 5, CH-6300 Zug and Mr Kaspar Hofmann of Haldenstrasse 36, CH-8134 Adliswil (the ''**Swiss Issuer Shareholders**'') will each own a portion of the issued share capital of the Swiss Issuer. Each of the Swiss Issuer Shareholders is experienced in acting as shareholders of similar entities.

Swiss Issuer Corporate Services Provider

Treureva AG will act as corporate services provider to the Swiss Issuer (in such capacity, the ''**Swiss Issuer Corporate Services Provider**''). The Swiss Issuer Corporate Services Provider is a company incorporated in Switzerland. The activities of the Swiss Issuer Corporate Services Provider involve it performing certain corporate and administrative services for the Swiss Issuer.

Swiss Issuer Operating Bank

Deutsche Bank AG, London Branch will act as operating bank to the Swiss Issuer (the ''**Swiss Issuer Operating Bank**''). The Swiss Issuer will maintain its bank accounts with the Swiss Issuer Operating Bank, including the Swiss Issuer Transaction Account, which will be used by it to receive, among other things, payments of interest on and repayments of principal in respect of the Swiss Loan.

Swiss Issuer Related Parties

The Swiss Issuer Servicer, any Swiss Issuer Special Servicer, the Swiss Issuer Shareholders, the Swiss Issuer Corporate Services Provider and the Swiss Issuer Operating Bank are together referred to as the ''**Swiss Issuer Related Parties**''.

The Swiss Issuer Assets

The Swiss Loan

The Swiss Loan was originated by the Swiss Originator during 2005. As at the Cut-Off Date, the Swiss Loan had an aggregate principal amount outstanding of CHF 170,100,000. The Swiss Loan is secured by, among other things, first ranking and, upon transfer to the Swiss Security Agent, fully perfected mortgages (*Inhaberschuldbriefe* and *Namenschuldbriefe*) governed by Swiss law over the Swiss Properties. The rights of the holders of the Swiss Note and the Swiss Subordinated Note are regulated by the Swiss Intercreditor Deed and the Swiss Note represents, in terms of economic value, only a portion of the relevant whole loan.

For further information about the Swiss Intercreditor Deed, see ''Servicing and Intercreditor Arrangements for the Swiss Assets – Swiss Intercreditor Deed'' at page 199.

Swiss Borrower

The Swiss Borrower has been incorporated under the laws of Luxembourg. The Swiss Borrower was incorporated for the purpose of purchasing the Swiss Properties, financing that purchase, and carrying on activities incidental to the ownership of those Swiss Properties, and accordingly, the Swiss Borrower is a limited purpose entity. The Swiss Borrower is sponsored by professional property investors.

Payments on the Swiss Loan

Payments of interest on and repayments of principal in respect of the Swiss Loan will be made from Rental Income generated by the Swiss Properties. To the extent that such principal

repayments are not made from such Rental Income, it is anticipated that they will be made from Refinancing Proceeds in respect of the Swiss Loan or Disposal Proceeds in respect of the Swiss Properties.

The Swiss Borrower and the managing agent appointed by the Swiss Borrower in accordance with the Swiss Loan Agreement (the "**Coop Property Manager**") have each opened a bank account (the "**Coop Borrower Rent Account**" or a "**Coop Property Manager Account**", as applicable). All Rental Income owing to the Swiss Borrower in respect of a Swiss Property is paid directly into the Coop Property Manager Account. Within a specified number of days, the Coop Property Manager will pay all Rental Income (net of certain deductions) received by it into the Coop Borrower Rent Account. The Coop Borrower Rent Account is controlled by the Swiss Facility Agent and is subject to a first ranking, fully perfected, security interest in favour of the Swiss Security Agent.

On each date on which the Swiss Borrower is obliged, under the Swiss Loan Agreement, to make a payment of interest, repayment of principal or payment of any other amount due thereunder (each, a "**Swiss Loan Interest Payment Date**"), the Swiss Security Agent or the Swiss Issuer Servicer on behalf of the Swiss Issuer after the Closing Date, will withdraw from the Coop Borrower Rent Account amounts necessary to make such payments. Following the Closing Date, such payments will be made from the Coop Borrower Rent Account, subject to the provisions of the Intercreditor Deed relating to the Swiss Loan, to an account established in the name of the Swiss Issuer at the Swiss Issuer Operating Bank (the "**Swiss Issuer Transaction Account**"), for the purposes of funding payment in respect of, among other things, the Swiss Note and the Swiss Subordinated Note.

Swiss Related Security

The principal elements of the Swiss Related Security are:

(a) first ranking and, upon transfer to the Swiss Security Agent, fully perfected bearer and registered mortgage certificates (*Inhaberschuldbriefe* and *Namenschuldbriefe*) over the Swiss Properties;

(b) a first ranking and fully perfected security assignment of the Rental Income payable in respect of the Swiss Properties and of the claims of the Swiss Borrower under the insurances relating to the Swiss Properties;

(c) a first ranking and fully perfected pledge over the shares of the Swiss Borrower; and

(d) a first ranking and fully perfected assignment over the Coop Borrower Rent Account and certain other bank accounts established pursuant to the Swiss Loan Agreement.

All elements of the Swiss Related Security referred to above, other than the pledges of the shares of the Swiss Borrower, are governed by Swiss law. The share pledges in respect of the Swiss Borrower are governed by Luxembourg law (being the law under which the Swiss Borrower was incorporated). Under the terms of the Swiss Loan Agreement, the Swiss Borrower is required, except as otherwise described in this Offering Circular, to maintain insurance cover in respect of the Swiss Properties including fixtures and improvements, on a full reinstatement basis, together with insurance for not less than a specified minimum number of years loss of rent, insurance against third party liabilities, and such other insurance that a prudent company in the business of the Swiss Borrower would effect from time to time.

Swiss Properties

There are 45 Swiss Properties, all of which are used for commercial purposes, being retail properties.

On the basis of the Origination Valuations of the Swiss Properties, the LTV of the Swiss Loan as at the Cut-off Date was 82.3 per cent., the aggregate Origination Valuations of the Swiss Properties being CHF 206,730,000. The expected LTV of the Swiss Loan at the time of its maturity is 72.0 per cent., again based on the Origination Valuations of the Swiss Properties.

For further information about the Swiss Loan and the Swiss Related Security, see "The Loans and Related Security – The Swiss Loan" at page 141.

The Swiss Note

Status and Form

The Swiss Note will be issued on the Closing Date in an aggregate principal amount of CHF 170,100,000. The Swiss Note will be subscribed for by the Issuer only and the Issuer will be reflected as the holder of the Swiss Note on its face.

Liability and Limited Recourse

The Swiss Note will not be the obligation or responsibility of any person other than the Swiss Issuer. In particular, the Swiss Note will not be the obligation or responsibility of the Swiss Originator, the Swiss Facility Agent or the Swiss Issuer Related Parties or any of their respective affiliates and none of such persons accepts any liability whatsoever in respect of any failure of the Swiss Issuer to make payments of any amounts due in respect of the Swiss Note.

The laws of Switzerland do not contain a specific securitisation law. The Swiss Note is constituted in accordance with general principles of Swiss law. The Swiss Note will be an unsecured obligation of the Swiss Issuer. The Issuer, as holder of the Swiss Note, will therefore have neither a security interest in nor any other rights in respect of the Swiss Assets, all of which will be the property of the Swiss Issuer only. However, as the Swiss Assets are the only assets of the Swiss Issuer and, therefore, the only source of funds from which the Swiss Issuer can meet its payment obligations in respect of the Swiss Note, the Swiss Issuer has covenanted in the terms and conditions of the Swiss Note that it will exercise its powers and enforce its rights in respect of the Swiss Assets in a manner which is consistent with the maximisation of the proceeds thereof and that it will not act in a manner which is prejudicial to the interests of the holders of the Swiss Note, having regard, to the terms of the Swiss Intercreditor Deed and the Swiss Subordinated Note. The Swiss Issuer Servicer will, in turn, service the Swiss Assets in accordance with similar standards, taking into account the interests of the holders of the Swiss Note, including, without limitation, the Duty of Care.

Irrespective of the fact that the Swiss Note is the unsecured obligations of the Swiss Issuer, as the Swiss Assets are the only assets of the Swiss Issuer available to meet its obligations in respect of the Swiss Note and the Swiss Subordinated Note, claims against the Swiss Issuer by holders of the Swiss Note will be limited to the value of the Swiss Assets, having regard, to the terms of the Swiss Intercreditor Deed and the Swiss Subordinated Note. The proceeds of realisation of the Swiss Assets may, after paying or providing for all prior-ranking claims against the Swiss Issuer, be less than the sums expected by the Issuer as the holder of the Swiss Note in respect thereof. All claims in respect of such shortfall, after realisation of the Swiss Assets, will be extinguished.

For further information regarding the unsecured nature of the obligations of the Swiss Issuer under the Swiss Note, see ''Certain Matters of Swiss Law'', at page 308.

Interest

The Swiss Note will not, according to its terms, bear interest at a specifically prescribed rate of interest. The Swiss Note will, however, bear interest on the principal amount outstanding of the Swiss Note from and including the Closing Date. The amount of such interest will be based upon the amount of interest received by the Swiss Issuer in respect of the Swiss Loan, subject to the terms of the Swiss Intercreditor Deed. The amount of interest payable in respect of the Swiss Note will, however, be reduced by certain expenses paid by the Swiss Issuer in relation to the issuance of the Swiss Note. Interest on the Swiss Note will be payable if and to the extent that funds are available to the Swiss Issuer for these purposes, after the payment of such expenses.

Interest in respect of the Swiss Note will be payable quarterly in arrear on the 20th January, April, July and October in each year or, if such day is not a day on which banks are generally open for business (other than a Saturday or Sunday) in London and Zurich, Switzerland (a ''**Swiss Business Day**''), the next following Swiss Business Day unless such Swiss Business Day falls in the next following calendar month, in which event, interest will be payable on the immediately preceding Swiss Business Day (each such day being a ''**Swiss Note Interest Payment Date**''). The first Swiss Note Interest Payment Date will be in April 2006.

In the event of any withholding or deduction for or on account of tax being imposed, as a result of a change of law from that which is in effect at the Closing Date, on payments of interest

on and repayments of principal in respect of the Swiss Note, the Swiss Issuer will, as described further below, be required to redeem the Swiss Note in full, but will not be obliged to pay additional amounts in respect of such withholding or deduction. As at the date of this Offering Circular and assuming that the Swiss Note is held by the Issuer as described in this Offering Circular, the laws of Switzerland, which govern the issuance of the Swiss Note, do not impose any withholding or deduction for or on account of tax on payments of interest on and repayments of principal of the Swiss Note.

Principal Final Redemption

Unless previously redeemed, the Swiss Note will be redeemed at their principal amount outstanding together with accrued interest, on the Swiss Note Interest Payment Date falling in January 2013 (the "**Swiss Note Maturity Date**").

Mandatory Redemption in Whole or Part upon Repayment, Prepayment, Repurchase or Disposal

The Swiss Note will be subject to mandatory redemption in whole or in part in the event of any repayment or prepayment of the Swiss Loan in whole or in part by the Swiss Borrower. The Swiss Note will also be subject to mandatory redemption in the event of a repurchase of the Swiss Loan pursuant to the Swiss Asset Transfer Agreement, the purchase of the Swiss Loan or payment of a Swiss Cure Payment made to remedy a non payment of principal in relation to the Swiss Loan in either case by a Swiss Subordinated Lender pursuant to the Swiss Intercreditor Deed or disposal of the Swiss Loan following the occurrence of an event of default in respect of the Swiss Note.

For further information on the mandatory redemption of the Swiss Note, see "Available Funds and their Priority of Application – The Swiss Note", at page 40 and "The Swiss Note" at page 160.

Mandatory Redemption in Whole due to Change in Law

The Swiss Note will be subject to redemption in whole, but not in part, if:

(a) by virtue of a change in law from that which is in effect at the Closing Date, the Swiss Issuer will be obliged to make any withholding or deduction for tax from payments in respect of, the Swiss Note and such requirement cannot be avoided by the Swiss Issuer taking reasonable measures available to it; or

(b) by virtue of any change in law from that in effect on the Closing Date, any amount receivable by the Swiss Issuer in relation to the Swiss Loan is reduced or ceases to be receivable by the Issuer, whether or not actually received.

Such redemption will be subject to the Swiss Issuer certifying to the Issuer that it will have sufficient funds available to it to discharge all liabilities in respect of or connected with the Swiss Note.

Rating and Listing

The Swiss Note will not be rated by any of the Rating Agencies nor by any other rating agency, nor will they be listed on any stock exchange.

Sales Restrictions

The Swiss Note will be issued to the Issuer pursuant to a subscription agreement (the "**Swiss Note Subscription Agreement**"). Prior to the enforcement of the Issuer Security it is expected that the Swiss Note will at all times be held by the Issuer only.

For further information about the Swiss Note, see "The Swiss Note" at page 160.

Servicing and Intercreditor Deeds

Issuer Servicer and Issuer Special Servicer

Pursuant to the Issuer Servicing Agreement, the Issuer will appoint Deutsche Bank AG, London Branch as the Issuer Servicer and Hatfield Philips International Limited as the Issuer Special Servicer to act as its agents and to exercise all its rights, powers and discretions, in relation to the Issuer Assets irrespective of their nature. The Dutch Security Trustee and the

German Security Trustee will delegate to the Issuer Servicer or, in certain circumstances, the Issuer Special Servicer, the exercise of all its rights, powers and discretions in relation to the Dutch Loan, the German Loans (other than the ATU Loan) and, in each case, the relevant Related Security other than those rights, powers and discretions which may only be exercised by the legal owner of the Dutch Related Security or the Non-ATU German Related Security, as the case may be, but which the Dutch Security Trustee or German Security Trustee, as the case may be, will agree only to exercise in accordance with the instructions of the Issuer Servicer or, in certain circumstances, the Issuer Special Servicer. The relevant German Subordinated Lenders will also appoint the Issuer Servicer and Issuer Special Servicer to perform a similar role in respect of the relevant German Subordinated Loans. For the avoidance of doubt, where a German Loan is a whole loan, the Issuer Servicer and the Issuer Special Servicer will act as the agent of the Issuer only in relation to that German Loan.

The Issuer, as the German Senior Lender in respect of the relevant German Loans, and each relevant German Subordinated Lender, will also delegate to the Issuer Servicer or, in certain circumstances, the Issuer Special Servicer the exercise of all its rights, powers and discretions as senior lender or subordinated lender, in respect of the relevant Senior Loan or the Subordinated Loan, as the case may be, and the related Intercreditor Deeds. The Issuer Servicer or, as the case may be, the Issuer Special Servicer, must act in accordance with, among other things, the terms of the relevant Intercreditor Deeds where one exists in relation to servicing the relevant German Senior Loans and, in each case, the related Subordinated Loans.

From the Closing Date, the Issuer Servicer will service and administer the ATU Note, the Swiss Note, the Dutch Loan, the German Loans (other than the ATU Loan) and their related Subordinated Loans, if applicable, in the ordinary course and will, among other things, make certain calculations and prepare certain reports in respect of the relevant Loans and the relevant Properties. In addition, the Issuer Servicer will prepare reports in respect of the ATU Loan and the ATU Properties on the basis of information provided to it by the ATU Issuer Servicer or, as applicable, the ATU Issuer Special Servicer. The Issuer Servicer will also prepare reports in respect of the Swiss Loan and the Swiss Properties on the basis of information provided to it by the Swiss Issuer Servicer or as applicable, the Swiss Issuer Special Servicer.

The Issuer Special Servicer will specially service the Dutch Loan and the relevant German Loans, and their related Subordinated Loans, if applicable, if a Special Servicer Transfer Event occurs in relation to that Loan. A Special Servicer Transfer Event for these purposes includes, among other things, any payment by the relevant Borrower under the Dutch Loan Agreement or the relevant German Loan Agreement (as applicable) being more than 45 days overdue. Full servicing of a Specially Serviced Loan will be retransferred to the Issuer Servicer and it will become a "**Corrected Loan**" when no monetary Special Servicer Transfer Event has occurred for two interest periods and the facts giving rise to any other Special Servicer Transfer Event have ceased to exist in respect of the Dutch Loan or such German Loan. Similarly, if a German Subordinated Lender, in respect of a relevant German Loan, makes a German Cure Payment or a German Cure Deposit or exercises any other cure right in respect of a relevant German Loan, the making of such payment or deposit or exercise of such cure right will prevent the occurrence of a Special Servicer Transfer Event or will lead to the re-transfer of servicing responsibility in respect of that Loan to the Issuer Servicer.

For further information about the division of responsibility between the Issuer Servicer and the Issuer Special Servicer, see "Servicing and Intercreditor Arrangements for the Issuer Assets" at page 205.

ATU Issuer Servicer and ATU Issuer Special Servicer

Pursuant to the ATU Issuer Servicing Agreement, the ATU Issuer appointed Deutsche Bank AG, London Branch as the ATU Issuer Servicer and Hatfield Philips International Limited as the ATU Issuer Special Servicer to act as its agents and to exercise all its rights, powers and discretions, in relation to the ATU Assets. The German Security Trustee has delegated to the ATU Issuer Servicer or, in certain circumstances, the ATU Issuer Special Servicer, the exercise of all its rights, powers and discretions in relation to the ATU Loan and the ATU Related Security included in the ATU Assets, other than those which may only be exercised by the legal owner of the ATU Related Security, but which the German Security Trustee has agreed only to exercise in accordance with the instructions of the ATU Issuer Servicer or, in certain circumstances, the ATU Issuer Special Servicer.

The ATU Issuer has also delegated to the ATU Issuer Servicer or, in certain circumstances, the ATU Issuer Special Servicer the exercise of all its rights, powers and discretions as lender in respect of the ATU Loan and the ATU Intercreditor Deed. The ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer, must act in accordance with, among other things, the terms of the ATU Intercreditor Deed in relation to servicing the ATU Senior Loan and the ATU Subordinated Loans.

From the ATU Closing Date, the ATU Issuer Servicer services and administers the ATU Senior Loan and the ATU Subordinated Loans, in the ordinary course and, among other things, makes certain calculations and prepares certain reports in respect of the ATU Loan and the relevant Properties.

The ATU Issuer Special Servicer will specially service the ATU Senior Loan and the ATU Subordinated Loans, if an ATU Issuer Special Servicer Transfer Event occurs in relation to the ATU Loan. An ATU Issuer Special Servicer Transfer Event for these purposes includes, among other things, any payment by the ATU Borrower under the ATU Loan Agreement being more than 45 days overdue. Full servicing responsibility will be retransferred to the ATU Issuer Servicer and it will become a Corrected Loan when no monetary ATU Issuer Special Servicer Transfer Event has occurred for two interest periods and the facts giving rise to any other ATU Issuer Special Servicer Transfer Event have ceased to exist in respect of such Loan. Similarly, if an ATU Subordinated Lender makes an ATU Cure Payment or an ATU Cure Deposit or exercises any other cure right in respect of the ATU Loan, the making of such payment or deposit or exercise of such cure right will prevent the occurrence of an ATU Issuer Special Servicer Transfer Event or will lead to the re-transfer of servicing responsibility in respect of the ATU Loan to the ATU Issuer Servicer.

For further information about the division of responsibility between the ATU Issuer Servicer and the ATU Issuer Special Servicer, see ''Servicing and Intercreditor Arrangements for the ATU Assets'' at page 221.

The German Senior Loans (other than the ATU Loan) and their related Subordinated Loans

If a relevant German Loan (other than the ATU Loan) is a Senior Loan and therefore has a related Subordinated Loan or Subordinated Loans, the Senior Loan will be serviced in the same manner as its related Subordinated Loan. All decisions made and discretions exercised in relation to a Senior Loan will apply equally to the related Subordinated Loan or Subordinated Loans. The Operating Adviser (if any) appointed by the relevant Subordinated Lender while it is the Controlling Party in relation to the relevant German Loan has certain consultation and approval rights in relation to the making of such decisions and the exercise of such discretions and the Issuer Servicer and Issuer Special Servicer will, subject to the terms of the relevant Intercreditor Deeds, be required to take the interests of the relevant Subordinated Lender into account when exercising their powers and performing their duties in relation to the relevant German Senior Loans and, in each case, their related Subordinated Loans. However, no rights of the Operating Adviser may cause the Issuer Servicer or the Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard. The relevant German Subordinated Lenders will also, however, have the right to consent with respect to certain matters relating to the relevant German Loans and the actions of the Issuer Servicer in relation thereto. Notwithstanding any of the consent rights of the German Subordinated Lenders, in no circumstances shall the Issuer Servicer or the Issuer Special Servicer follow any direction of any German Subordinated Lenders if such action would contradict the Servicing Standard and none of the consent rights of any German Subordinated Lenders will prevent the Issuer Special Servicer from completing any enforcement action, realising upon the security for the relevant Loan in connection with any action otherwise taken in accordance with the Issuer Servicing Agreement.

For further information about the relationship between the relevant German Senior Lender and the German Subordinated Lenders in relation to the German Loans, and the implications in relation to servicing, see ''Servicing and Intercreditor Arrangements for the Issuer Assets'' at page 205.

The ATU Senior Loan and the ATU Subordinated Loans

The ATU Senior Loan will be serviced in the same manner as the ATU Subordinated Loans. All decisions made and discretions exercised in relation to the ATU Senior Loan will apply equally to the ATU Subordinated Loans. The Operating Adviser (if any) appointed by the relevant ATU Subordinated Lender while it is the Controlling Party in relation to the ATU Loan has certain consultation and approval rights in relation to the making of such decisions and the exercise of

such discretions and the ATU Issuer Servicer and ATU Issuer Special Servicer will, subject to the terms of the ATU Intercreditor Deed, be required to take the interests of the relevant ATU Subordinated Lender into account when exercising its powers and performing its duties in relation to the ATU Senior Loan and the ATU Subordinated Loans. However, no rights of the Operating Adviser may cause the ATU Issuer Servicer or the ATU Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard. The ATU Subordinated Lenders will also, however, have the right to consent with respect to certain matters relating to the ATU Senior Loan. Notwithstanding any of the consent rights of the ATU Subordinated Lenders, in no circumstances shall the ATU Issuer Servicer or the ATU Issuer Special Servicer follow any direction of the ATU Subordinated Lenders if such action would contradict the Servicing Standard and none of the consent rights of the ATU Subordinated Lenders will prevent the ATU Issuer Special Servicer from completing any enforcement action, realising upon the security for the ATU Loan in connection with any action otherwise taken in accordance with the ATU Issuer Servicing Agreement.

For further information about the relationship between the ATU Senior Lender and the ATU Subordinated Lenders and the implications in relation to servicing of the ATU Loan, see ''Servicing and Intercreditor Arrangements for the ATU Assets'' at page 221.

Swiss Issuer Servicer and Swiss Issuer Special Servicer

Pursuant to an agreement to be entered into on the Closing Date between, among others, the Swiss Issuer, the Swiss Security Agent and the Swiss Issuer Servicer (the ''**Swiss Issuer Servicing Agreement**''), the Swiss Issuer will appoint Deutsche Bank AG, London Branch as the Swiss Issuer Servicer and Hatfield Philips International Limited as the Swiss Issuer Special Servicer to act as its agent and to exercise all its rights, powers and discretions, in relation to the Swiss Loan and the Swiss Related Security. The Swiss Security Agent will delegate to the Swiss Issuer Servicer or, in certain circumstances, the Swiss Issuer Special Servicer, the exercise of all its rights, powers and discretions in relation to the Swiss Loan and the Swiss Related Security, other than those which may only be exercised by the legal owner of the Swiss Related Security but which the Swiss Security Agent will agree only to exercise in accordance with the instructions of the Swiss Issuer Servicer or, in certain circumstances, the Swiss Issuer Special Servicer.

The Swiss Issuer will also delegate to the Swiss Issuer Servicer or, in certain circumstances, the Swiss Issuer Special Servicer the exercise of all its rights, powers and discretions as lender under the Swiss Intercreditor Deed in respect of the Swiss Loan. The Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer, must act in accordance with the terms of the relevant Swiss Loan Agreement and the Swiss Issuer Servicing Agreement, including without limitation the Servicing Standard and the Duty of Care.

From the Closing Date, the Swiss Issuer Servicer will service and administer the Swiss Loan including, without limitation, the Swiss Senior Loan and the related Swiss Subordinated Loan in the ordinary course and will, among other things, make certain calculations and provide certain information in respect of the Swiss Loan and the Swiss Properties to the Issuer Servicer.

The Swiss Issuer Special Servicer will specially service any Swiss Loan if a Special Servicer Transfer Event occurs in relation to that Swiss Loan. A Special Servicer Transfer Event includes, among other things, any payment by the relevant Borrower under the Swiss Loan Agreement being more than 45 days overdue. Full servicing of the Swiss Loan will be retransferred to the Swiss Issuer Servicer and it will become a Corrected Loan when no monetary Special Servicer Transfer Event has occurred for two interest periods and the facts giving rise to any other Special Servicer Transfer Event do not or have ceased to exist in respect of the Swiss Loan. Similarly, if a Swiss Subordinated Lender makes a Swiss Cure Payment or a Swiss Cure Deposit or exercises any other cure right in respect of a Swiss Loan, the making of such payment or deposit or exercise of such cure right will prevent the occurrence of a Special Servicer Transfer Event or will lead to the re-transfer of servicing responsibility in respect of that Swiss Loan to the Swiss Issuer Servicer.

For further information about the roles of the Swiss Issuer Servicer and the Swiss Issuer Special Servicer, see ''Servicing and Intercreditor Arrangements for the Swiss Assets'' at page 190.

Swiss Senior Loan and Swiss Subordinated Loan

The Swiss Loan is a Senior Loan and therefore has a related Subordinated Loan, and the Swiss Senior Loan will be serviced in the same manner as its related Swiss Subordinated Loan. All decisions made and discretions exercised in relation to the Swiss Senior Loan will apply equally

to the related Swiss Subordinated Loan. The Operating Adviser (if any) appointed by the Swiss Subordinated Lender while it is the Controlling Party in relation to the Swiss Loan has certain consultation and approval rights in relation to the making of such decisions and the exercise of such discretions and the Swiss Issuer Servicer and Swiss Issuer Special Servicer will, subject to the terms of the Swiss Intercreditor Deed, be required to take the interests of the Swiss Subordinated Lender into account when exercising their powers and performing their duties in relation to the Swiss Senior Loan and their related Swiss Subordinated Loan. However, no rights of the Operating Adviser may cause the Swiss Issuer Servicer or the Swiss Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard or in breach of the Duty of Care. The Swiss Subordinated Lender will, however, have the right to consent with respect to certain matters relating to the Swiss Loan and the actions of the Swiss Issuer Servicer in relation thereto. Notwithstanding any of the consent rights of the Swiss Subordinated Lender, in no circumstances shall the Swiss Issuer Servicer or the Swiss Issuer Special Servicer follow any direction of the Swiss Subordinated Lender if such action would contradict the Servicing Standard and none of the consent rights of the Swiss Subordinated Lender will prevent the Swiss Issuer Special Servicer from completing any enforcement action, realising upon the security for the Swiss Loan in connection with any action otherwise taken in accordance with the Swiss Issuer Servicing Agreement.

For further information about the relationship between the Swiss Senior Lender and the Swiss Subordinated Lender, see ''Servicing and Intercreditor Arrangements for the Swiss Assets'' at page 190.

Fees payable to the Issuer Servicer and the Issuer Special Servicer

On each Distribution Date, the Issuer Servicer will be entitled to a fee (the ''**Issuer Servicing Fee**'') in an amount equal to 0.10 per cent. per annum (plus VAT, if applicable), of the outstanding principal balance of the Dutch Loan or German Loans (other than the ATU Loan) or, if the relevant Loan comprises a Senior Loan, that Senior Loan and its Subordinated Loan or Subordinated Loans, as at the first day of the Loan interest period immediately prior to the relevant Distribution Date. The Issuer Special Servicer will be entitled to (a) a fee in an amount equal to 0.25 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance under any Specially Serviced Loan, or, if such Specially Serviced Loan comprises a Senior Loan, the outstanding principal balance of such Senior Loan and its related Subordinated Loan or Subordinated Loans (the ''**Issuer Special Servicing Fee**''), (b) a liquidation fee in an amount equal to 1 per cent. (plus VAT, if applicable) of the proceeds (net of costs and expenses of sale), if any, arising on the sale of the Dutch Loan or any Dutch Property or a German Loan (other than the ATU Loan) or any relevant German Property following the enforcement of the Security (or deed in lieu thereof) (the ''**Liquidation Fee**'') and (c) a workout fee if a Specially Serviced Loan subsequently becomes a Corrected Loan (the ''**Workout Fee**''), in an amount equal to 1 per cent. (plus VAT, if applicable), of each collection of interest and principal received in respect of the Dutch Loan or the relevant German Loan or, if the relevant Loan comprises a Senior Loan, that Senior Loan, and its related Subordinated Loan or Subordinated Loans, if the relevant Loan has been so divided, for so long as each remains a Corrected Loan. However, no Workout Fee will be payable if the Special Servicer Transfer Event which gave rise to such Dutch Loan or German Loan becoming a Specially Serviced Loan ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other Special Servicer Transfer Event occurred while such Dutch Loan or German Loan remained a Specially Serviced Loan.

The relevant German Intercreditor Deeds state that fees and expenses payable to the Issuer Servicer and the Issuer Special Servicer in relation to the relevant German Senior Loans and in each case, the related Subordinated Loan, if any, will be provided for before any payments of principal, interest or other amounts are paid to the Issuer, as the Senior Lender, or the relevant Subordinated Lender.

However, if, after providing for the payment of amounts due to the Issuer Servicer or the Issuer Special Servicer and any other amounts which are payable in priority to amounts due to the Issuer, as the Senior Lender, the receipts from the relevant Borrower under a relevant German Loan Agreement would be insufficient to fund all amounts then due and payable to the Issuer, as the Senior Lender, such priority payments will first be paid from amounts otherwise payable to the relevant Subordinated Lender. If, notwithstanding this application, the amount due to the Issuer Servicer and/or the Issuer Special Servicer is greater than the amount available to be paid to the

relevant Subordinated Lender, the Issuer will make good the relevant shortfall from the Available Funds (which amounts may represent the proceeds of a drawing pursuant to the Liquidity Facility Agreement) on the next following Distribution Date. The Issuer will be entitled to be reimbursed by the relevant Subordinated Lender in respect of any such payment (together with interest at the rate payable by the Issuer on the relevant Liquidity Drawing (if such payment is made by the Issuer using the proceeds of a Liquidity Drawing) or with interest at the Reimbursement Rate (if such payment is made otherwise than by a Liquidity Drawing)) from amounts payable under the relevant Subordinated Loan on each following German Loan Interest Payment Date (as applicable) until the Issuer has been reimbursed in full, with interest at the appropriate rate.

All amounts payable by the Issuer to the Issuer Servicer and the Issuer Special Servicer will be paid in priority to payments on the Notes.

Fees payable to the ATU Issuer Servicer and the ATU Issuer Special Servicer

On each ATU Loan Interest Payment Date, the ATU Issuer Servicer will be entitled to a fee (the "**ATU Issuer Servicing Fee**") in an amount equal to 0.10 per cent. per annum (plus VAT, if applicable), of the outstanding principal balance of the ATU Senior Loan and the ATU Subordinated Loans, as at the first day of the ATU Loan interest period to which such ATU Loan Interest Payment Date relates. The ATU Issuer Special Servicer will be entitled to (a) a fee in an amount equal to 0.25 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance of the ATU Senior Loan and the ATU Subordinated Loans for so long as the ATU Loan is designated a Specially Serviced Loan (the "**ATU Issuer Special Servicing Fee**"), (b) a liquidation fee in an amount equal to 1 per cent. (plus VAT, if applicable) of the proceeds (net of costs and expenses of sale), if any, arising on the sale of the ATU Loan or any ATU Property following the enforcement of the security (or deed in lieu thereof) (the "**ATU Liquidation Fee**") and (c) a workout fee if a Specially Serviced Loan subsequently becomes a Corrected Loan (the "**ATU Workout Fee**"), in an amount equal to 1 per cent. (plus VAT, if applicable), of each collection of interest and principal received in respect of the ATU Senior Loan and the ATU Subordinated Loans, for so long as they remain a Corrected Loan. However, no ATU Workout Fee will be payable if the Special Servicer Transfer Event which gave rise to the ATU Loan becoming a Specially Serviced Loan ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other Special Servicer Transfer Event occurred while the ATU Loan remained a Specially Serviced Loan.

The ATU Intercreditor Deed states that fees and expenses payable to the ATU Issuer Servicer and fees and expenses payable to the ATU Issuer Special Servicer, will be provided for before any payments of principal, interest or other amounts are paid to the ATU Senior Lender or the ATU Subordinated Lenders.

However, if, after providing for the payment of amounts due to the ATU Issuer Servicer or the ATU Issuer Special Servicer and any other amounts which are payable in priority to amounts due to the ATU Senior Lender, the receipts from the ATU Borrower under the ATU Loan Agreement would be insufficient to fund all amounts then due and payable to the ATU Issuer Servicer or ATU Issuer Special Servicer, such priority payments, will first be paid from amounts otherwise payable to the ATU Subordinated Lenders. If, notwithstanding this application, the amount due to the ATU Issuer Servicer and/or the ATU Issuer Special Servicer is greater than the amount available to be paid to the ATU Subordinated Lenders, the ATU Issuer will make good the relevant shortfall from amounts payable to it in accordance with the ATU Intercreditor Deed or, if such amounts are insufficient for the purposes of making payment of the ATU Issuer Special Servicing Fee (and any other costs and expenses due and payable by the ATU Subordinated Lenders under the ATU Servicing Agreement), from funds which are otherwise available to the ATU Senior Lender (which amounts may represent the proceeds of a drawing made under the ATU Inter-company Loan Agreement). The ATU Issuer will be entitled to be reimbursed by the ATU Subordinated Lenders in respect of any such payment (together with interest at the rate payable by the ATU Issuer on a drawing under the ATU Inter-company Loan Agreement (if such payment is made by the ATU Issuer using the proceeds of a drawing) or with interest at the ATU Reimbursement Rate (if such payment is made otherwise than by a drawing under the ATU Inter-company Loan Agreement) from amounts payable in respect of the ATU Subordinated Loans on each following ATU Note Interest Payment Date until the ATU Issuer has been reimbursed in full, with interest at the appropriate rate. If the amount due to the ATU Issuer Servicer and/or the ATU Issuer Special Servicer is greater than the amount available to the ATU Issuer on the next following ATU Note

Interest Payment Date, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the ATU Inter-company Loan Agreement.

All amounts payable by the ATU Issuer to the ATU Issuer Servicer and the ATU Issuer Special Servicer will be paid in priority to payments on the ATU Notes.

Fees payable to the Swiss Issuer Servicer and the Swiss Issuer Special Servicer

On each Swiss Note Interest Payment Date, the Swiss Issuer Servicer will be entitled to a fee (the "**Swiss Issuer Servicing Fee**") in an amount equal to 0.10 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance of the Swiss Senior Loan and its Swiss Subordinated Loan, as at the first day of the Swiss Loan interest period immediately prior to the relevant Swiss Note Interest Payment Date. The Swiss Issuer Special Servicer will be entitled to (a) a fee in an amount equal to 0.25 per cent. per annum (plus VAT, if applicable) of the principal amount outstanding under any Specially Serviced Loan or, if such Specially Serviced Loan comprises a Swiss Senior Loan the outstanding principal balance of such Swiss Senior Loan and its related Swiss Subordinated Loan, (the "**Swiss Issuer Special Servicing Fee**"), (b) a liquidation fee in an amount equal to 1 per cent. (plus VAT, if applicable) of the proceeds, if any, arising on the sale of the Swiss Loan or any Swiss Property following the enforcement of security (or deed in lieu thereof) (the "**Swiss Liquidation Fee**") and (c) a workout fee if a Specially Serviced Loan subsequently becomes a Corrected Loan (the "**Swiss Workout Fee**"), in an amount equal to 1 per cent. (plus VAT, if applicable) of each collection of interest and principal received in respect of the relevant Swiss Senior Loan and its related Swiss Subordinated Loan for so long as it remains a Corrected Loan. However, no Swiss Workout Fee will be payable if the Special Servicer Transfer Event which gave rise to the Swiss Loan becoming a Specially Serviced Loan ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other Special Servicer Transfer Event occurred while the Swiss Loan remained a Specially Serviced Loan.

The Swiss Intercreditor Deed states that fees and expenses payable to the Swiss Issuer Servicer and the Swiss Issuer Special Servicer in relation to a Swiss Senior Loan and its related Swiss Subordinated Loan will be provided for before any payments of principal, interest or other amounts are paid to the Issuer or the Swiss Subordinated Lender.

However, if, after providing for the payment of amounts due to the Swiss Issuer Servicer or the Swiss Issuer Special Servicer and any other amounts which are payable in priority to amounts due to the Issuer, the receipts from the Swiss Borrower under the Swiss Loan Agreement would be insufficient to fund all amounts then due and payable to the Swiss Issuer Servicer or Swiss Issuer Special Servicer, such priority payments, other than the Swiss Issuer Servicing Fee, will first be paid from amounts otherwise payable to the Swiss Subordinated Lender. If, notwithstanding this application, the amount due to the Swiss Issuer Servicer and/or the Swiss Issuer Special Servicer is greater than the amount available the Swiss Issuer will make good the relevant shortfall from Swiss Available Principal Receipts and Swiss Available Interest Receipts (which amounts may represent the proceeds of an Expenses Drawing made under the Swiss Inter-company Loan Agreement), on the next following Swiss Note Interest Payment Date. The Swiss Issuer will be entitled to be reimbursed by the Swiss Subordinated Lender in respect of any such payment (together with interest at the rate payable by the Swiss Issuer on an Expenses Drawing under the Swiss Inter-company Loan Agreement (if such payment is made by the Swiss Issuer using the proceeds of an Expenses Drawing) or with interest at the Swiss Reimbursement Rate (if such payment is made otherwise than by a Expenses Drawing) from amounts payable in respect of the Swiss Subordinated Loan on each following Swiss Loan Interest Payment Date until the Swiss Issuer has been reimbursed in full, with interest at the appropriate rate. If the amount due to the Swiss Issuer Servicer and/or the Swiss Issuer Special Servicer is greater than the amount available to be paid out of Swiss Available Principal Receipts and Swiss Available Interest Receipts on the next following Swiss Note Interest Payment Date, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the Swiss Inter-company Loan Agreement.

All amounts payable by the Swiss Issuer to the Swiss Issuer Servicer and the Swiss Issuer Special Servicer will be paid in priority to payments on the Swiss Note.

Available Funds and their Priority of Application – The ATU Note

Source of Funds

The payment of interest (other than the ATU Originator's Accrued Note Interest) on and the repayment of principal in respect of the ATU Loan will provide the only source of funds for the ATU Issuer to make payments of interest on and repayments of principal of the ATU Note.

Funds paid into the ATU Issuer Tranching Account

On each ATU Loan Interest Payment Date, the ATU Issuer Servicer will transfer from the ATU Borrower Rent Account to the ATU Issuer Tranching Account, subject to the provisions of the ATU Intercreditor Deed, an amount in respect of interest, principal, fees and other amounts, if any, then payable under the ATU Loan Agreement to which the ATU Issuer is entitled.

Accordingly, all amounts standing to the credit of the ATU Issuer Tranching Account from time to time (not taking into account any advances made to the ATU Issuer under the ATU Inter-company Loan Agreement) will be from the following sources:

(a) payments of interest (other than the ATU Originator's Accrued Note Interest), fees (including prepayment fees), breakage costs, if any, incurred by the ATU Borrower, expenses, commissions and other sums, in each case made by the ATU Borrower in respect of the ATU Loan or the ATU Related Security (other than any payments in respect of principal), including recoveries in respect of such amounts on enforcement of the ATU Loan or the ATU Related Security, subject in each case, to the ATU Intercreditor Deed, a purchase of the ATU Loan or payment of an ATU Cure Payment made to remedy a non payment of interest in respect of the ATU Loan, in either case by any relevant ATU Subordinated Lender pursuant to the ATU Intercreditor Deed (the "**ATU Borrower Interest Receipts**"); and

(b) repayments of principal made by the ATU Borrower in respect of the ATU Loan and the ATU Related Security, including recoveries of such amounts on enforcement of the ATU Loan and the ATU Related Security, subject in each case, to the ATU Intercreditor Deed and arising upon a purchase of the ATU Loan or payment of an ATU Cure Payment made to remedy a non payment of principal in respect of the ATU Loan, in each case by any relevant ATU Subordinated Lender pursuant to the ATU Intercreditor Deed and including recoveries from any insurance policy relating to the ATU Loan (excluding amounts applied in the repair and/or reinstatement of any ATU Property) in each case to the extent attributable to principal (the "**ATU Borrower Principal Receipts**").

Payments out of the ATU Issuer Tranching Account

On each ATU Loan Interest Payment Date, the ATU Issuer Security Trustee will, subject to the ATU Intercreditor Deed, transfer the ATU Issuer Interest Amount and the ATU Issuer Principal Distribution Amount in respect of each class of ATU Notes, from the ATU Issuer Tranching Account to the relevant ATU Issuer Collection Account.

Pursuant to the ATU Issuer Deed of Charge and Assignment, all amounts in each ATU Issuer Collection Account will be disbursed, as with respect to the related class of ATU Notes, on the ATU Issuer Business Day following an ATU Loan Interest Payment Date (each, an "**ATU Issuer Distribution Date**") as follows:

(i) first, solely with respect to payments from the Class B Collection Account and the Class C Collection Account, either (A) to pay to the ATU Issuer Swap Provider with respect to any swap transaction relating to the ATU Subordinated B Note or the ATU Subordinated C Note, as applicable, all amounts then due thereunder, excluding termination costs payable to the ATU Issuer Swap Provider due to a default of or termination caused by such ATU Issuer Swap Provider, or (B) to pay any break adjustments due under the ATU Loan Agreement as allocated to the relevant class of ATU Notes pursuant to the ATU Intercreditor Deed;

(ii) second, to pay the related class of ATU Note's Apportioned Expense Amount with respect to the ATU Issuer Note Trustee and the ATU Issuer Security Trustee;

(iii) third, to pay the related class of ATU Note's Apportioned Expense Amount to each of the other ATU Issuer Secured Creditors or other parties (other than the fees and expenses of the ATU Note Trustee and periodic payments and termination payments due to the ATU Issuer Swap Provider);

(iv) fourth, to the respective holder of the ATU Notes, reimbursement for any ATU Cure Payments previously made along with interest thereon paid pursuant to the ATU Intercreditor Deed (or, in the case of the ATU Note, any amounts expended pursuant to certain provisions of the ATU Intercreditor Deed);

(v) fifth, to pay all ATU Issuer Interest Amounts due or overdue and payable on the related class of ATU Notes;

(vi) sixth, to pay all ATU Issuer Principal Distribution Amounts due and payable on the related class of ATU Notes;

(vii) seventh, to pay the related class of ATU Notes all other amounts received on the related Corresponding ATU Loan Tranche or any swap transaction, including, for the avoidance of doubt, any default interest and prepayment fees; and

(viii) eighth, solely with respect to payments from the Class B Collection Account and the Class C Collection Account, to pay to the ATU Issuer Swap Provider with respect to any swap transaction relating to the ATU Subordinated B Note or the ATU Subordinated C Note, as applicable, all amounts that remain outstanding under any such swap transaction after the payments made in item (i) above.

If at the time a payment is proposed to be made to an ATU Issuer Secured Creditor pursuant to the priority of payment above and that ATU Issuer Secured Creditor is in default under any of its obligations to make a payment under the ATU Issuer Servicing Agreement and/or the ATU Loan Sale Agreement and/or the ATU Issuer Corporate Services Agreement and/or the ATU Issuer Agency Agreement and/or the ATU Issuer Note Trust Deed and/or any swap transaction relating to the ATU Subordinated B Note or the ATU Subordinated C Note, respectively (each, a "**defaulted payment**"), the amount of the payment which may be made to the relevant ATU Issuer Secured Creditor shall be reduced by there being withheld from such payment an amount equal to the amount of such defaulted payment. Any amount so withheld shall not be available for any other purpose and shall be paid to the relevant ATU Issuer Secured Creditor as and when (and to the extent) the defaulted payment is duly paid by that ATU Issuer Secured Creditor and at the same level of priority as that of the payment when originally due.

To the extent that amounts in any ATU Issuer Collection Account are insufficient to make payment on the Apportioned Expense Amount for the respective class of ATU Notes, then such amounts shall be paid as follows: (a) first, from the Class B Collection Account (by increasing the amount of Apportioned Expense Amount for the ATU Subordinated B Notes); and (b) second, to the extent that are insufficient amounts in the Class B Collection Account, then from amounts in the Class A Collection Account; provided, that the ATU Issuer Servicer shall keep records of the Apportioned Expense Amounts paid by any ATU Collection Account for another class of ATU Notes (such expenses, "**Apportioned Expense Amount Shortfalls**") and to the extent that amounts have previously been withdrawn from an ATU Issuer Collection Account to make payment on Apportioned Expense Amount Shortfalls, if and when amounts are credited into the respective ATU Issuer Collection Account, they shall be used to reimburse: (i) first, amounts that were paid from the Class A Collection Account to pay such Apportioned Expense Amount Shortfalls; and (ii) second, amounts that were paid from the Class B Collection Account to pay such Apportioned Expense Amount Shortfalls.

"**Apportioned Expense Amount**" means, with respect to any class of ATU Notes and any ATU Loan Interest Period, such class of ATU Notes' *pro rata* portion of Apportioned Expenses for such ATU Loan Interest Period, calculated based upon such ATU Note's Principal Amount Outstanding as of the beginning of the related ATU Loan Interest Period.

"**Apportioned Expenses**" means, with respect to any class of ATU Notes and any ATU Loan Interest Period, an amount equal to the total amount of costs and expenses of the ATU Issuer due to any of the ATU Issuer Note Trustee, the ATU Issuer Security Trustee, the ATU Issuer Corporate Services Provider, any auditor or any other service party that remain outstanding on the related ATU Loan Interest Payment Date along with the ATU Issuer Margin.

"**ATU Issuer Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for business in London, New York, Los Angeles and Dublin and which is a TARGET Business Day.

"**ATU Loan Interest Period**" means each period commencing on an ATU Loan Interest Payment Date and ending on the next ATU Loan Interest Payment Date (except that where an ATU Loan Interest Period would overrun the ATU Scheduled Maturity Date, that ATU Loan Interest Period shall be shortened so that it ends on the ATU Scheduled Maturity Date).

"**ATU Issuer Interest Amount**" means, with respect to any class of ATU Notes and any ATU Issuer Distribution Date, the excess of: (a) the sum of: (i) all amounts received by the ATU Issuer on account of interest (including any default interest) with respect to the Corresponding ATU Loan Tranche during the related ATU Loan Interest Period; and (ii) the amount of any periodic payments (and not any termination or other payments) received under any swap transaction that relates to such class of ATU Notes; over (b) the sum of: (i) the Apportioned Expense Amount for such class of ATU Notes that remain outstanding on such ATU Issuer Distribution Date; and (ii) the amount of any periodic payments (and not any termination or other payments) due under any swap transaction that relates to such class of ATU Notes.

"**ATU Issuer Collection Accounts**" means the Class A Collection Account, the Class B Collection Account and the Class C Collection Account (each, an "**ATU Issuer Collection Account**").

"**ATU Issuer Margin**" means €1,500 per annum.

"**ATU Issuer Principal Distribution Amount**" means, with respect to any class of ATU Notes and any ATU Issuer Distribution Date, the excess of: (a) all amounts received by the ATU Issuer on account of principal with respect to the Corresponding ATU Loan Tranche during the related ATU Loan Interest Period; over (b) the Apportioned Expense Amount for each class of ATU Issuer Notes that remain outstanding on such ATU Issuer Distribution Date after payment of such amounts from interest collections received by the ATU Issuer on the Corresponding ATU Loan Tranche.

"**Class A Collection Account**" means an account of the ATU Issuer at the ATU Issuer Collection Bank designated the "**Class A Account**".

"**Class B Collection Account**" means an account of the ATU Issuer at the ATU Issuer Collection Bank designated the "**Class B Account**".

"**Class C Collection Account**" means an account of the ATU Issuer at the ATU Issuer Collection Bank designated the "**Class C Account**".

"**Corresponding ATU Loan Tranche**" means: (a) with respect to the ATU Note, the ATU Senior Loan; (b) with respect to the ATU Subordinated B Notes, the ATU Subordinated B Loan; and (c) with respect to the ATU Subordinated C Notes, the ATU Subordinated C Loan.

"**Principal Amount Outstanding**" of an ATU Note on any date will be its face amount less the aggregate amount of principal repayments paid in respect of that ATU Note since the ATU Closing Date or as otherwise reduced by election of the respective noteholder pursuant to the terms and conditions of the ATU Notes.

Prepayment Fees

Prepayment fees paid by the ATU Borrower under the ATU Loan Agreement shall be paid in accordance with the above priority of payment and shall not, therefore, be available to meet any of the other obligations of the ATU Issuer. Any prepayment fees to which the Issuer will be entitled will be paid by the Issuer to the ATU Originator by way of deferred consideration under the ATU Note Sale Agreement, promptly upon receipt.

Available Funds and their Priority of Application – The Swiss Note

Source of Funds

The payment of interest (other than the Swiss Originator's Accrued Interest) on and the repayment of principal in respect of the Swiss Loan will provide the only source of funds for the Swiss Issuer to make payments of interest on and repayments of principal of the Swiss Note.

Funds paid into the Swiss Issuer Transaction Account

On each Swiss Loan Interest Payment Date, the Swiss Issuer Servicer will transfer from the Coop Borrower Rent Account to the Swiss Issuer Transaction Account, subject to the provisions of any applicable Intercreditor Deed, an amount in respect of interest, principal, fees and other amounts, if any, then payable under the Swiss Loan Agreement to which the Swiss Issuer is entitled.

Accordingly, all amounts standing to the credit of the Swiss Issuer Transaction Account from time to time (not taking into account any advances made to the Swiss Issuer under the Swiss Inter-company Loan Agreement) will be from the following sources:

(a) payments of interest (other than the Swiss Originator's Accrued Interest), fees (other than prepayment fees), breakage costs, if any, incurred by the Swiss Borrower, expenses, commissions and other sums, in each case made by the Swiss Borrower in respect of the Swiss Loan or the Swiss Related Security (other than any payments in respect of principal), including recoveries in respect of such amounts on enforcement of the Swiss Loan or the Swiss Related Security, subject in each case, to the relevant Intercreditor Deed, and arising upon a repurchase of any Swiss Loan pursuant to the terms of the Swiss Asset Transfer Agreement, a purchase of the Swiss Loan or payment of a Swiss Cure Payment made to remedy a non payment of interest in respect of a Swiss Loan, in either case by any relevant Swiss Subordinated Lender pursuant to the relevant Intercreditor Deed (the "**Swiss Borrower Interest Receipts**"); and

(b) payments of principal made by the Swiss Borrower in respect of the Swiss Loan and the Swiss Related Security, including recoveries of such amounts on enforcement of the Swiss Loan and the Swiss Related Security, subject in each case, to the relevant Intercreditor Deed and arising upon a repurchase of any Swiss Loan pursuant to the terms of the Swiss Asset Transfer Agreement or a purchase of the Swiss Loan or payment of a Swiss Cure Payment made to remedy a non payment of principal in respect of a Swiss Loan, in each case by any relevant Swiss Subordinated Lender pursuant to the relevant Intercreditor Deed and including recoveries from any insurance policy relating to the Swiss Loan (excluding amounts applied in the repair and/or reinstatement of any Swiss Property) in each case to the extent attributable to principal (the "**Swiss Borrower Principal Receipts**").

Payments out of the Swiss Issuer Transaction Account

Swiss Issuer Priority Payments

The Swiss Issuer Servicer shall in the case of amounts referred to in paragraph (a) below, and otherwise may, make the following payments out of the Swiss Issuer Transaction Account in priority to all other payments required to be made by the Swiss Issuer and on any day such payments are due:

(a) out of Swiss Borrower Interest Receipts or if such amounts are in aggregate insufficient, from the proceeds of any drawing under the Swiss Inter-company Loan Agreement made available for this purpose, amounts due to third parties (other than the Swiss Issuer Related Parties), including the Swiss Issuer's liability, if any, to corporation tax and/or value added tax, on a date other than a Swiss Note Interest Payment Date under obligations incurred in the course of the Swiss Issuer's business, provided that if such amount becomes payable in the period between a Swiss Calculation Date and the next following Swiss Note Interest Payment Date, such payments shall only be funded by drawing under the Swiss Inter-company Loan Agreement; and

(b) after a Swiss Loan event of default has occurred, any urgent capital expenditure required to prevent a material decline in the value of the Swiss Property out of Swiss Borrower Interest Receipts provided that no such payment shall be made between a Swiss Calculation Date and the next following Swiss Note Interest Payment Date.

Such payments are together referred to in this Offering Circular as the "**Swiss Issuer Priority Payments**".

Swiss Available Interest Receipts

The period from and including the third Swiss Business Day prior to each Swiss Note Interest Payment Date (the "**Swiss Calculation Date**") or, in the case of the first such period, the Closing Date, to but excluding the next following Swiss Calculation Date, is referred to as a "**Swiss Note Collection Period**". The Swiss Issuer Servicer is required to calculate on each Swiss Calculation Date the amount of Swiss Available Interest Receipts received during the immediately preceding Swiss Note Collection Period.

On each Swiss Note Interest Payment Date the aggregate of (a) all Swiss Borrower Interest Receipts transferred by or at the direction of the Swiss Issuer Servicer into the Swiss Issuer Transaction Account during the Swiss Note Collection Period ending prior to such Swiss Note Interest Payment Date (net of any Swiss Borrower Interest Receipts applied during such Swiss Note Collection Period in payment of Swiss Issuer Priority Payments); (b) the proceeds of any drawing under the Swiss Inter-company Loan Agreement made available to the Swiss Issuer on such Swiss Note Interest Payment Date; and (c) any interest accrued upon and paid to the Swiss Issuer on the Swiss Issuer Transaction Account and not paid out on any previous Swiss Note Interest Payment Date and any other accounts maintained by the Swiss Issuer and the interest on any eligible investments received by the Swiss Issuer during the Swiss Note Collection Period then ended (such amounts being, collectively, the "**Swiss Available Interest Receipts**", in respect of such Swiss Note Interest Payment Date, and as determined by the Swiss Issuer Servicer) will be applied in the following order of priority (the "**Swiss Available Interest Receipts Priority of Payments**") and in each case, only if and to the extent that the payments and provisions of a higher priority have been made in full:

(a) first, in or towards payment or discharge of any amounts due and payable by the Swiss Issuer to any Swiss Issuer Related Parties under and in accordance with the contractual arrangements which are in place between the Swiss Issuer and the Swiss Issuer Related Parties on a *pro rata* and *pari passu* basis;

(b) second, (i) in or towards repayment or discharge of any amounts due and payable by the Swiss Issuer in respect of any amounts made available to the Swiss Issuer under the Swiss Inter-company Loan Agreement (save that the proceeds of any drawing under the Swiss Inter-company Loan Agreement made available to the Swiss Issuer on such Swiss Note Interest Payment Date shall not be used for the purpose of repaying any previous drawing under the Swiss Inter-company Loan Agreement made available to the Swiss Issuer); and then (ii) in or towards payment or discharge of any amounts due to third parties (other than payments made to any third parties which constitute Swiss Issuer Priority Payments) under obligations incurred in the course of the Swiss Issuer's business, including provision for any such obligations expected to come due in the following Interest Period, on a *pro rata* and *pari passu* basis; and

(c) third, in or towards payment or discharge of interest in respect of the Swiss Note.

Swiss Available Principal Receipts

The Swiss Issuer Servicer is required to calculate on each Swiss Calculation Date, the amount of Swiss Borrower Principal Receipts received during the immediately preceding Swiss Note Collection Period (such amounts being the "**Swiss Available Principal Receipts**").

On each Swiss Note Interest Payment Date, Swiss Available Principal Receipts will be applied from the Swiss Issuer Transaction Account in or toward repayment of the principal amount outstanding in respect of the Swiss Note and to pay the relevant elements of any Liquidation Fee or Workout Fee payable to the Swiss Issuer Special Servicer. Accordingly, the aggregate principal amount outstanding in respect of the Swiss Note should at all times be equal to the principal amount outstanding of the Swiss Senior Loan, save for amounts paid in respect of Liquidation Fees or Workout Fees, and should not, for the avoidance of doubt, reflect the principal amount outstanding of the Swiss Subordinated Loan.

The Swiss Available Principal Receipts will be subject to categorisation when they have been paid to the Issuer, as further described in this Offering Circular.

Thus, the Issuer, as the holder of the Swiss Note, will periodically receive payments of the Swiss Available Interest Receipts in accordance with the Swiss Available Interest Receipts Priority of Payments, and Swiss Available Principal Receipts.

Prepayment Fees

Prepayment fees paid by the Swiss Borrower under the Swiss Loan Agreement shall not, for the avoidance of doubt, be included in the Swiss Borrower Interest Receipts even if paid into the Swiss Issuer Transaction Account and shall not, therefore, be available to meet any of the other obligations of the Swiss Issuer, including the Swiss Issuer Priority Payments. Rather, all such amounts to which the Swiss Issuer will be entitled will be paid by the Swiss Issuer to the Swiss Originator by way of deferred consideration under the Swiss Asset Transfer Agreement, promptly upon receipt.

The Notes

Status and Form

The €295,000,000 Class A1 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A1 Notes**"), the €809,000,000 Class A2 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A2 Notes**"), the €50,000 Class X Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class X Notes**"), the €179,000,000 Class B Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class B Notes**"), the €89,000,000 Class C Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class C Notes**"), the €29,000,000 Class D Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class D Notes**"), the €59,000,000 Class E Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class E Notes**"), the €32,000,000 Class F Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class F Notes**"), the €27,000,000 Class G Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class G Notes**") and the €37,115,278 Class H Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class H Notes**" and, together with the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, the "**Notes**") will be constituted by the Note Trust Deed. The Notes of each class will rank *pari passu* and rateably without any preference or priority among themselves.

The Notes will all share the same security, but, in the event of the security being enforced, the Class A1 Notes and the Class A2 Notes will rank in priority to the Class X Notes, save in relation to payments of interest. The Class X Notes will rank in priority to the Class B Notes, the Class B Notes will rank in priority to the Class C Notes, the Class C Notes will rank in priority to the Class D Notes, the Class D Notes will rank in priority to the Class E Notes, the Class E Notes will rank in priority to the Class F Notes, the Class F Notes will rank in priority to the Class G Notes and the Class G Notes will rank in priority to the Class H Notes.

Each Note is being offered either (a) outside the United States in reliance on Regulation S to non-U.S. Persons or (b) within the United States or to U.S. Persons who are both QIBs and QPs in reliance on Rule 144A (or in the case of the initial sale from the Issuer to the Managers, in reliance on Section 4(2) of the Securities Act).

The Notes of each class offered and sold in the United States in reliance on Rule 144A will initially be represented by one or more Rule 144A Global Notes in respect of such class, in bearer form, which will be deposited with the Depository. The Notes of each class offered and sold outside the United States to non-U.S. Persons in reliance on Regulation S will initially be represented by one or more Regulation S Global Notes in respect of such class, in bearer form, which will also be deposited with the Depository.

Definitive Notes in registered form will be issued only in certain limited circumstances. So long as the Notes are held by the Depository in global form, the Depository will be deemed for all purposes to be the owner of such Notes and shall be entitled to receive all principal, premium (if any), interest and other amounts payable in respect of the Notes but shall, for the purposes of forming a quorum for meetings, constitute two persons.

The Note Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the holders of the Class A1 Notes (the "**Class A1 Noteholders**"), the holders of the Class A2 Notes (the "**Class A2 Noteholders**"), the holders of the Class X Notes (the "**Class X Noteholders**"), the holders of the Class B Notes (the "**Class B Noteholders**"), the holders of the Class C Notes (the "**Class C Noteholders**"), the holders of the Class D Notes (the "**Class D Noteholders**"), the holders of the Class E Notes (the "**Class E Noteholders**"), the holders of the Class F Notes (the "**Class F Noteholders**"), the holders of the Class G Notes (the "**Class G Noteholders**") and the holders of the Class H Notes (the "**Class H Noteholders**" and, together with the Class A1 Noteholders, the Class A2 Noteholders, the Class X Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders, the "**Noteholders**") but where there is, in the Note Trustee's opinion, a conflict between such interests, the Note Trustee shall have regard only to the interests of the holders of the most senior class of Notes then outstanding, subject to Condition 3(a) at page 261.

Certain Noteholders are restricted in their ability to pass Extraordinary Resolutions. The Class X Noteholders have no power to request or direct the Note Trustee to take any action or to pass an Extraordinary Resolution.

The Notes and interest or principal thereon will not be obligations or responsibilities of any person other than the Issuer. In particular, the Notes will not be obligations or responsibilities of, or be guaranteed by, Deutsche Bank AG, London Branch or any affiliate of Deutsche Bank AG, or of or by the Managers, any of the Issuer Related Parties, the Registrar, the Originator, the ATU Issuer, the ATU Issuer Related Parties, the Dutch Facility Agent, the Dutch Security Trustee, the German Facility Agent, the German Security Trustee, the Swiss Security Agent, the Swiss Special Servicer or any of the Swiss Issuer Related Parties or any of their respective affiliates or shareholders or the shareholders of the Issuer and none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

Interest

Each Note will bear interest on its Principal Amount Outstanding from and including the Closing Date. Interest will be payable in respect of the Notes in euro, quarterly in arrear on the 27th day of January, April, July and October in each year or, if such day is not a Business Day, the next following Business Day (unless such Business Day falls in the next following calendar month, in which event the immediately preceding Business Day) (each such day being a "**Distribution Date**"). The first Distribution Date in respect of each class of Notes will be the Distribution Date falling in April 2006. "**Business Day**", for these purposes, means a day (other than a Saturday or a Sunday) on which banks are open for business in London, New York and Dublin and which is a TARGET Business Day. "**TARGET Business Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express System settles payments in euro.

The first Interest Period will commence on (and include) the Closing Date and end on (but exclude) the first Distribution Date. Each subsequent Interest Period will commence on (and include) a Distribution Date and end on (but exclude) the next succeeding Distribution Date.

Interest payments will be made subject to applicable withholding or deduction for or on account of tax (if any), without the Issuer being obliged to pay additional amounts in respect of any such withholding or deduction.

The interest rate applicable to the Notes (other than the Class X Notes) from time to time (the "**Rate of Interest**") will be EURIBOR for three-month euro deposits plus the Relevant Margin (other than in respect to the first Interest Period, the rate for which will be determined by a linear interpolation of the rate for one month and two month euro deposits). The "**Relevant Margin**" in respect of each class of Notes (other than the Class X Notes) will be:

Class	Relevant Margin
A1	0.20 per cent. per annum
A2	0.27 per cent. per annum
B	0.40 per cent. per annum
C	0.62 per cent. per annum
D	0.70 per cent. per annum
E	0.95 per cent. per annum
F	1.15 per cent. per annum
G	2.25 per cent. per annum
H	3.50 per cent. per annum

Interest on the Class H Notes for any Distribution Date will be limited, in accordance with Condition 5(c)(iii) at page 272, to an amount equal to the lesser of (a) the Interest Amount payable in respect of such class for that Distribution Date and (b) (i) the Available Funds for that Distribution Date minus (ii) the sum (without duplication) of all amounts payable out of Available Funds on such Distribution Date in priority to the payment of interest on such class of Notes (the amount calculated under (b) in respect of any Distribution Date being the "**Adjusted Interest Amount**" for such class of Notes on that Distribution Date). If the difference between the Interest Amount and the Adjusted Interest Amount applicable to the Class H Notes is attributable to a reduction in the interest-bearing balances of the Loans as a result of any repayments and/or prepayments howsoever arising on the Loans, the amounts of interest that would otherwise be represented by such difference will be extinguished on such Distribution Date, and the affected Noteholders will have no claim against the Issuer in respect thereof.

Interest in respect of any of the Notes for any period will be calculated on the basis of actual days elapsed and a 360-day year.

Failure by the Issuer to pay interest on the most senior class of Notes when due and payable will result in a Note Event of Default (as defined in the Conditions), which may, subject to the Conditions, result in the Issuer Security Trustee enforcing the Issuer Security. To the extent that funds available to the Issuer on any Distribution Date, after paying any interest then accrued due and payable on the most senior class of Notes, are insufficient to pay in full interest otherwise due on any one or more classes of more junior-ranking Notes then outstanding, this will not constitute a Note Event of Default. Any such shortfall in the amount then due will only be paid in accordance with the order of seniority of the affected classes of Notes (other than the Class H Notes if the shortfall arises as a result of the application of Condition 5(c)(iii) at page 272), on that and each subsequent Distribution Date when permitted by subsequent cash flow which is available after the Issuer's other higher priority liabilities have been discharged, subject to the terms and conditions of the Notes.

Class X Note Interest

The rate of interest applicable to the Class X Notes for any prior Interest Period will be the Class X Interest Rate as calculated on each Determination Date. The "**Class X Interest Rate**" for any Interest Period is the percentage rate calculated as follows: the product of: (a) the outstanding principal balance of the Loans as at the first day of the relevant Interest Period and (b) the Class X Weighted Average Strip Rate, divided by the Principal Amount Outstanding of the Class X Notes as at the first day of the relevant Interest Period.

"**Collection Period**" means a period beginning on and including a Determination Date (or, in the case of the first Collection Period, the Closing Date) and ending on the Business Day immediately preceding the next Determination Date.

The "**Class X Weighted Average Strip Rate**" with respect to any Distribution Date will be a per annum rate equal to the excess, if any, of (a) the Weighted Average Net Mortgage Rate for the preceding Interest Period over (b) the weighted average of the rates of interest (based on the assumption that each class of Notes (other than the Class X Notes) will be paid interest at its Relevant Margin) as at such Distribution Date (weighted on the basis of the respective Principal Amount Outstanding of such Notes (less any NAI Amounts applied thereto) immediately prior to the related Distribution Date) provided that the Class X Weighted Average Strip Rate will never be less than zero.

The "**Weighted Average Net Mortgage Rate**" with respect to any Distribution Date will be equal to the weighted average of the Net Mortgage Rates for the Loans, weighted on the basis of their respective principal balances as at the beginning of the applicable Interest Period, after taking into account any write-offs of principal realised in respect of the Loans during the Collection Period immediately preceding the last day of the relevant Interest Period), or in the case of the first Distribution Date, the Closing Date.

The "**Net Mortgage Rate**" for any Loan, with respect to any Distribution Date, will be equal to the per annum interest rate (excluding default interest) on such Loan (which rate of interest shall be determined to reflect any Swap Transaction or other hedging transaction entered into in respect of such Loan) less the Administrative Cost Rate.

The "**Administrative Cost Rate**" is equal to a variable rate, which, as at any Distribution Date, is the percentage equal to the product of: (a) 360 and (b) the fraction obtained by dividing: (i) the Administrative Cost Factor by (ii) the actual number of days in the relevant Interest Period for such Distribution Date. The Administrative Cost Rate represents as of any date of calculation, the per annum rate at which Administrative Costs for any Interest Period accrue against the outstanding principal balance of the Issuer Assets.

The "**Administrative Cost Factor**" is, as at any Distribution Date, equal to the percentage obtained by dividing: (a) the Administrative Costs for such Distribution Date by (b) the outstanding principal balance of the Loans immediately after the second preceding Dutch Loan Interest Payment Date, German Loan Interest Payment Date or Swiss Loan Interest Payment Date, as applicable, immediately preceding such Distribution Date.

The "**Administrative Costs**" for any Distribution Date will be sum of the Issuer Administrative Costs, the ATU Issuer Administrative Costs and the Swiss Issuer Administrative Costs in respect of such Distribution Date. Administrative Costs do not include extraordinary, non-recurring fees, costs

and expenses such as Liquidity Drawings, any swap breakage costs payable by the Issuer under the Swap Agreement, to the extent that a corresponding Break Adjustment is not paid by a Borrower, any amounts payable by the Issuer to the Issuer Special Servicer or the ATU Issuer to the ATU Special Servicer or the Swiss Issuer to the Swiss Issuer Special Servicer, any fees payable by the Issuer to the Issuer Servicer (other than Issuer Servicing Fees), any fees payable by the ATU Issuer to the ATU Issuer Servicer (other than ATU Issuer Servicing Fees), any fees payable by the Swiss Issuer to the Swiss Issuer Servicer (other than Swiss Issuer Servicing Fees) or Property Protection Advances made by the Issuer Servicer or the Issuer Special Servicer or the ATU Servicer or the ATU Special Servicer, or the Swiss Issuer Servicer or the Swiss Issuer Special Servicer.

The "**Issuer Administrative Costs**" for any Distribution Date will be the ordinary, recurring fees that will be accrued and due on such Distribution Date with respect to the Notes and payable by the Issuer to the following: (a) the Issuer Servicer (which fee is limited to the Issuer Servicing Fee) (b) the Note Trustee and the Issuer Security Trustee, (c) the Operating Bank, (d) the Principal Paying Agent, (e) the Agent Bank, (f) the Common Depositary, (g) the Cash Manager, (h) the Depository, the Exchange Agent and the Registrar, (i) the Irish Paying Agent, (j) the Issuer Corporate Services Provider, (k) the Issuer's directors and the advisors, accountants or auditors appointed by the Issuer or its directors, (l) the Liquidity Facility Provider (which fee does not include fees relating to any drawings actually made), (m) the Rating Agencies, (n) the stock exchange where the Notes are listed and (o) the Issuer's Profit plus, in each case, VAT thereon, if applicable.

The "**ATU Issuer Administrative Costs**" for any Distribution Date will be:

(a) prior to any exercise by the Issuer of its loan conversion option in respect of the ATU Note, the ordinary recurring fees that will have been accrued and due on the immediately preceding ATU Note Interest Payment Date with respect to the ATU Note and payable by the ATU Issuer to the following: (i) the ATU Issuer Servicer (which fee is limited to the ATU Issuer Servicing Fee); (ii) the ATU Issuer Corporate Services Provider; (iii) the ATU Issuer Note Trustee; (iv) the ATU Issuer Security Trustee; (v) the ATU Issuer Operating Bank; (vi) the ATU Issuer Paying Agent; (vii) the ATU Issuer Registrar; and (viii) the ATU Issuer's directors, shareholders and advisors, accountants or auditors appointed by the ATU Issuer or its directors plus, in each case VAT thereon, if applicable; and

(b) following any exercise by the Issuer of its loan conversion option in respect of the ATU Note, the ordinary recurring fees that will have been accrued and due on the immediately preceding ATU Loan Interest Payment Date with respect to the ATU Loan and payable by the Issuer to the ATU Issuer Servicer (which fee is limited to the ATU Issuer Servicing Fee) plus VAT thereon, if applicable.

The "**Swiss Issuer Administrative Costs**" for any Distribution Date will be the ordinary recurring fees that will have been accrued and due on the immediately preceding Swiss Note Interest Payment Date with respect to the Swiss Note and payable by the Swiss Issuer to the following: (a) the Swiss Issuer Servicer (which fee is limited to the Swiss Issuer Servicing Fee); (b) the Swiss Issuer Corporate Services Provider; (c) the Swiss Issuer Operating Bank; and (d) the Swiss Issuer's directors, shareholders and advisors, accountants or auditors appointed by the Swiss Issuer or its directors plus, in each case VAT thereon, if applicable.

Principal Amount Outstanding

The "**Principal Amount Outstanding**" of a Note on any date will be its face amount less the aggregate amount of principal repayments paid in respect of that Note since the Closing Date and less, for certain purposes, including calculating the amount of interest that is due and payable on a particular Distribution Date, the NAI Amount allocated to such Note since the Closing Date.

The "**NAI Amount**" allocated in respect of a Note means a *pro rata* share of the aggregate amount of NAI required to be applied to the relevant class of Notes in accordance with the following sentence. On the Distribution Date immediately following any Determination Date on which it appears that NAI has arisen, the Principal Amount Outstanding of the Notes will, for the purposes of calculating the amount of interest that is due and payable on that Distribution Date and on subsequent Distribution Dates (subject as set out below) be reduced by an amount equal to such NAI as applied to the classes of Notes in a reverse sequential order, beginning with the

then most subordinated class of Notes that has a Principal Amount Outstanding (after deducting any NAI Amounts previously applied thereto). The difference between the amount of interest that would have been due and payable on any class or classes of Notes on any Distribution Date, had no such NAI Amount been applied, and the amount of interest which became due and payable as a result of such application and the operation of Condition 5(a) at page 268 is referred to in this Offering Circular as the "**NAI Deferred Interest**". All NAI Deferred Interest applied to a particular class or classes of Notes will become due and payable on, and shall continue to accrue interest until, the date on which such Notes are redeemed in full.

For these purposes, "**NAI**" means, with respect to any Determination Date, the amount by which (a) the aggregate principal amount outstanding of the Loans as determined by the Issuer Servicer, the ATU Issuer Servicer or the Swiss Issuer Servicer, as the case may be, after taking into account all principal received on or before such Determination Date is less than (b) the aggregate Principal Amount Outstanding of the Notes on the related Distribution Date (after application of any Principal Distribution Amount, if any, to be applied on such Distribution Date).

NAI represents the amount of losses realised on the Loans following a Final Recovery Determination.

Principal Final Redemption

Unless previously redeemed in full, the Notes are expected to be redeemed in full at their Principal Amount Outstanding together with accrued interest on the Distribution Date falling in October 2012 in relation to the Class A1 Notes, April 2015 in relation to the Class A2 Notes and January 2016 in relation to the remaining classes of Notes (the "**Expected Maturity Date**"). In any event, the maturity date of the Notes may not be later than the Distribution Date falling in January 2018 (the "**Final Maturity Date**").

Mandatory Redemption in Part

Unless a Note Acceleration Notice has been served, the Notes of each class (other than the Class X Notes) will be subject to mandatory redemption in part on each Distribution Date in order of seniority by applying an amount equal to any Principal Distribution Amount to redeem the Notes pursuant to Condition 6 at page 273 in each case, after satisfaction of all amounts due from the Issuer which rank in priority to repayments of principal in respect of such class of Notes.

The Class X Notes will not be subject to redemption prior to the earliest to occur of:

(a) the Final Maturity Date;

(b) the date of any redemption in full of the Notes; or

(c) the service of a Note Acceleration Notice.

Optional Redemption in Full

The Notes will be subject to redemption in full, but not in part, at the option of the Issuer in certain circumstances:

(a) if the Issuer satisfies the Note Trustee that by virtue of a change in tax law from that effect on the Closing Date the Issuer will be obliged to make any withholding or deduction from payments in respect of the Notes; or

(b) if the aggregate of the Principal Amount Outstanding of all the Notes then outstanding is less than 10 per cent. of the Principal Amount Outstanding of all the Notes issued on the Closing Date, subject to the requirements of Condition 6(e) at page 275.

In any such case, the Issuer must certify to the Note Trustee that it will have sufficient funds available to it on the relevant Distribution Date to discharge all of the Issuer's liabilities in respect of the Notes and any amounts payable under the Issuer Servicing Agreement, the Cash Management Agreement, the Deed of Charge and Assignment and the Note Trust Deed (including all amounts and expenses payable to and incurred by the Note Trustee and the Issuer Security Trustee and each of their appointees) to be paid in priority to, or *pari passu* with, the Notes on such Distribution Date, all in accordance with Conditions 6(d), 6(e) and 6(f) at page 275, 275 and 276 respectively.

Swap Agreements

The Issuer will enter into one or more Rate Swap Transactions with the Swap Provider documented under one Swap Agreement. The Issuer will enter into one Swap Agreement in relation to the Fixed Rate Loans in order to hedge against the potential interest rate exposure of the Issuer in relation to its floating rate interest payment obligations under the Notes and certain basis risk to which it would otherwise be exposed, as a result of a mismatch between the interest rate basis on each of the Loans and the interest rate basis on the Notes and the accrual periods applicable to each. Under the other Swap Agreement, the Issuer will also hedge certain cross-currency risks to which it will be otherwise exposed as a result of the Swiss Loan (and therefore the Swiss Note) being denominated and bearing interest in Swiss Francs, while its obligations under the Notes are payable in euro.

In addition, in relation to the Karstadt Kompakt Loan, the Issuer shall, from time to time, enter into certain additional hedging arrangements in order to mitigate interest rate risk that may arise when any part of the Karstadt Kompakt Floating Rate Portion of the Karstadt Kompakt Loan is converted into a fixed rate. For further information in respect of the Karstadt Kompakt Floating Rate Portion, see ''The Karstadt Kompakt Loan'' at page 120.

For further information about the Swap Agreements, see ''Description of the Swap Agreement'', at page 188.

Liquidity Facility Provider, Liquidity Facility Agreement and Inter-company Loan Agreements

Pursuant to the terms of the Liquidity Facility Agreement, the Liquidity Facility Provider will provide to the Issuer a liquidity facility (the ''**Liquidity Facility**'') with a maximum aggregate principal amount available for drawdown of €109,040,873 (the ''**Liquidity Commitment**''). Drawings in respect of the Liquidity Facility, including without limitation any Stand-by Drawing, may either be made in euro or in Swiss Francs and in respect of any Stand-by Drawing the Issuer may enter into such hedging arrangements as may be deemed necessary or desirable subject to receipt from at least two of the Rating Agencies of confirmation (each, a ''**Rating Agency Confirmation**'') that the then current ratings of the Notes or any class of Notes will not be qualified, suspended or downgraded as a result of the Issuer entering into such hedging arrangement. The Liquidity Commitment may be reduced as the outstanding principal of the Loans decrease in accordance with an agreed mechanism and subject to a floor and in other cases with the prior written consent of the Issuer and the Issuer Security Trustee, provided that, under certain circumstances, the Issuer Security Trustee receives confirmation in writing from each of the Rating Agencies that such reduction in the Liquidity Commitment will not result in a downgrading of any of the Notes below their then current levels.

The Issuer (or the Cash Manager or the Issuer Security Trustee on its behalf) will be able to draw under the Liquidity Facility Agreement to cover an Interest Shortfall, an Expenses Shortfall or a Property Protection Shortfall.

Where an Interest Shortfall has arisen, the Issuer will apply funds drawn under the Liquidity Facility Agreement in payment of its obligations to, among others, the Noteholders. Where an Expenses Shortfall or Property Protection Shortfall has arisen, the Issuer will apply funds drawn under the Liquidity Facility Agreement either (a) if the relevant expense that gives rise to the Expenses Shortfall or a Property Protection Shortfall is an obligation of or may only be discharged by the Issuer, in payment of such expense or (b) if the relevant expense that gives rise to the Expenses Shortfall or a Property Protection Shortfall is an obligation of or may only be discharged by the ATU Issuer, in making an inter-company loan to the ATU Issuer for the payment of such Expenses Shortfall or Property Protection Shortfall, pursuant to the ATU Inter-company Loan Agreement or (c) if the relevant expense that gives rise to the Expenses Shortfall or a Property Protection Shortfall is an obligation of or may only be discharged by the Swiss Issuer, in making an inter-company loan to the Swiss Issuer for the payment of such Expenses Shortfall or Property Protection Shortfall, pursuant to the Swiss Issuer Inter-company Loan Agreement.

For further information about the Liquidity Facility Agreement and the Inter-company Loan Agreements, see ''The Liquidity Facility Agreement and Inter-company Loan Agreements'', at page 182.

Ratings

The Notes are, upon issue, expected to be rated by the Rating Agencies as follows:

Class	Fitch/Moody's/S&P Expected Rating
A1	AAA/Aaa/AAA
A2	AAA/Aaa/AAA
X	NR/NR/AAA
B	AA-/Aa2/AA
C	A/NR/A
D	A-/NR/A
E	BBB/NR/BBB
F	BBB-/NR/BBB
G	BB/NR/BBB-
H	BB/NR/BB

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. The rating ascribed to the Class H Notes does not reflect the possibility of the payment of any amount of interest in excess of the Adjusted Interest Amount.

The ratings of the Notes are dependent upon, among other things, the ratings of the short term unsecured, unsubordinated debt of the Liquidity Facility Provider and the Swap Provider.

If, in connection with any matter described in this Offering Circular, Rating Agency Confirmations are required from two of the Rating Agencies, the person obtaining the Rating Agency Confirmations must obtain a Rating Agency Confirmation from S&P.

Listing

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market.

Settlement

DTC, Clearstream, Luxembourg and Euroclear.

Governing Law

The Conditions, the Notes and the Note Trust Deed will be governed by English law.

Available Funds and their Priority of Application: The Notes

The repayment of principal and the payment of interest by the Dutch Borrower (other than the Dutch Originator's Accrued Interest) in respect of the Dutch Loan, the German Borrowers (other than the German Originator's Accrued Interest) in respect of the German Loans (other than the ATU Loan), the ATU Issuer in respect of the ATU Note and the Swiss Issuer in respect of the Swiss Note will provide the principal source of funds for the Issuer to make repayments of principal and payments of interest in respect of the Notes.

Determination Date

On the date which is three Business Days prior to each Distribution Date (each, a "**Determination Date**"), the Cash Manager will calculate the amount of any Liquidity Drawings which will be required to be made on the following Distribution Date, and the Cash Manager will also be required to calculate and/or determine, based on information provided to it by the Issuer Servicer, the ATU Issuer Servicer and/or the Swiss Issuer Servicer, the following:

(a) the amount of Revenue Receipts and Principal Receipts received during the Interest Period to which such Determination Date relates;

(b) the Available Funds available to the Issuer for distribution on the following Distribution Date; and

(c) all amounts due according to the Pre-enforcement Priority of Payments set forth below.

Sources of Funds

The Issuer's interest and income receipts (the "**Revenue Receipts**") will comprise, on any day:

(a) payments of interest (other than the Dutch Originator's Accrued Interest), fees (other than prepayment fees), breakage costs payable to the Issuer, if any, incurred by the Dutch Borrower, expenses, commissions and other sums, in each case made by the Dutch Borrower in respect of the Dutch Loan or the Dutch Related Security (other than any payments in respect of principal), including recoveries of such amounts on enforcement of the Dutch Loan and Dutch Related Security, upon a repurchase of the Dutch Loan pursuant to the terms of the Dutch Loan Sale Agreement and upon a purchase by the Issuer Servicer of the Issuer Assets pursuant to the Issuer Servicing Agreement (the "**Dutch Borrower Interest Receipts**") and standing to the credit of the Issuer Transaction Account on that day;

(b) payments of interest (other than the German Originator's Accrued Interest), fees (other than prepayment fees), breakage costs payable to the Issuer, if any, incurred by the German Borrowers, expenses, commissions and other sums, in each case made by the German Borrowers in respect of the German Loans (other than the ATU Loan) or the relevant German Related Security (other than any payments in respect of principal), including recoveries of such amounts on enforcement of the German Loans and German Related Security, upon a repurchase of any German Loans (other than the ATU Loan) pursuant to the terms of the Non-ATU German Asset Transfer Agreement, upon a purchase by the Issuer Servicer of the Issuer Assets pursuant to the Issuer Servicing Agreement and upon a purchase of any German Loan (other than the ATU Loan) or payment of a German Cure Payment made to remedy a non-payment of interest in respect of a German Loan (other than the ATU Loan), in either case by any relevant Subordinated Lender pursuant to the terms of the relevant Intercreditor Deed (the "**German Borrower Interest Receipts**") and standing to the credit of the Issuer Transaction Account on that day;

(c) all payments of interest on the ATU Note made by the ATU Issuer to the Issuer (the "**ATU Note Interest Receipts**") and standing to the credit of the Issuer Transaction Account on that day;

(d) any amounts received by the Issuer from the ATU Issuer in repayment of amounts made available to them under the ATU Inter-company Loan Agreement (the "**ATU Inter-company Loan Repayments**");

(e) all payments of interest on the Swiss Note made by the Swiss Issuer to the Issuer (the "**Swiss Note Interest Receipts**") and standing to the credit of the Issuer Transaction Account on that day; and

(f) any amounts received by the Issuer from the Swiss Issuer in repayment of amounts made available to them under the Swiss Issuer Inter-company Loan Agreement (the "**Swiss Issuer Inter-company Loan Repayments**").

The Issuer's principal receipts (the "**Principal Receipts**") will comprise "**ATU Asset Principal Receipts**", "**Dutch Asset Principal Receipts**", "**Non-ATU German Asset Principal Receipts**" and "**Swiss Asset Principal Receipts**".

ATU Asset Principal Receipts will, in turn, be comprised of:

(a) "**ATU Asset Amortisation Funds**" being scheduled amortisation payments received by or on behalf of the Issuer (through its ownership of the ATU Note) in respect of the ATU Loan and ATU Cure Payments made by the relevant ATU Subordinated Lender which are attributable to specified scheduled amortisation payments made to the Issuer (through the ATU Note) in respect of the ATU Loan (avoiding double counting);

(b) "**ATU Asset Prepayment Redemption Funds**" being (i) principal repayments received as a result of prepayment of the ATU Loan in part or in full (excluding, for the avoidance of doubt, prepayments which constitute ATU Asset Principal Recovery Funds) and (ii) principal repayments received by or on behalf of the Issuer as a result of a repurchase of the ATU Note by the ATU Originator pursuant to the ATU Note Sale

Agreement, the purchase of the ATU Loan (or the ATU Note) by the ATU Issuer Servicer or ATU Issuer Special Servicer pursuant to the ATU Issuer Servicing Agreement or the purchase of the ATU Loan (or the ATU Note) by an ATU Subordinated Lender pursuant to the ATU Intercreditor Deed;

(c) "**ATU Asset Final Redemption Funds**" being principal repayments received by or on behalf of the Issuer (through the ATU Note) in respect of the ATU Loan as a result of the repayment of the ATU Loan upon its scheduled final maturity date; and

(d) "**ATU Asset Principal Recovery Funds**" being principal repayments received by or on behalf of the Issuer (through the ATU Note) as a result of actions taken in accordance with enforcement procedures in respect of the ATU Loan and the relevant portion of the ATU Related Security.

Dutch Asset Principal Receipts will, in turn, be comprised of:

(a) "**Dutch Asset Amortisation Funds**", being scheduled amortisation payments received by or on behalf of the Issuer in respect of the Dutch Loan;

(b) "**Dutch Asset Prepayment Redemption Funds**" being (i) principal repayments received by or on behalf of the Issuer as a result of the prepayment of the Dutch Loan in part or in full (excluding, for the avoidance of doubt, prepayments which constitute Dutch Asset Principal Recovery Funds); and (ii) principal repayments received by or on behalf of the Issuer as a result of a repurchase of the Dutch Loan by the Dutch Originator pursuant to the Dutch Loan Sale Agreement or the purchase of the Dutch Loan by the Issuer Servicer or Issuer Special Servicer pursuant to the Issuer Servicing Agreement;

(c) "**Dutch Asset Final Redemption Funds**", being principal repayments received by or on behalf of the Issuer in respect of the Dutch Loan as a result of the repayment of the Dutch Loan upon its scheduled final maturity date; and

(d) "**Dutch Asset Principal Recovery Funds**", being principal repayments received or recovered by or on behalf of the Issuer as a result of actions taken in accordance with the enforcement procedures in respect of the Dutch Loan and/or the Dutch Related Security.

Non-ATU German Asset Principal Receipts will, in turn, be comprised of:

(a) "**Non-ATU German Asset Amortisation Funds**", being scheduled amortisation payments received by or on behalf of the Issuer in respect of the German Loans (other than the ATU Loan) and German Cure Payments made by the relevant German Subordinated Lender which are attributable to shortfalls in scheduled amortisation payments made to the Issuer in respect of a German Senior Loan (other than the ATU Loan) (avoiding double-counting);

(b) "**Non-ATU German Asset Prepayment Redemption Funds**" being (i) principal repayments received by or on behalf of the Issuer as a result of the prepayment of any German Loan (other than the ATU Loan) in part or in full (excluding, for the avoidance of doubt, prepayments which constitute Non-ATU German Asset Principal Recovery Funds); and (ii) principal repayments received by or on behalf of the Issuer as a result of a repurchase of a German Loan (other than the ATU Loan) by the German Originator pursuant to the Non-ATU German Asset Transfer Agreement, the purchase of the German Loans (other than the ATU Loan) by the Issuer Servicer or Issuer Special Servicer pursuant to the Issuer Servicing Agreement or the purchase of a German Loan (other than the ATU Loan) by the relevant German Subordinated Lender pursuant to the relevant Intercreditor Deed;

(c) "**Non-ATU German Asset Final Redemption Funds**", being principal repayments received by or on behalf of the Issuer in respect of the German Loans as a result of the repayment of any such German Loan (other than the ATU Loan) upon its scheduled final maturity date; and

(d) "**Non-ATU German Asset Principal Recovery Funds**", being principal repayments received or recovered by or on behalf of the Issuer as a result of actions taken in accordance with the enforcement procedures in respect of a German Loan (other than the ATU Loan) and/or the relevant German Related Security.

Swiss Asset Principal Receipts will, in turn be compromised of:

(a) "**Swiss Asset Amortisation Funds**" being scheduled amortisation payments received by or on behalf of the Issuer (through its ownership the Swiss Note) in respect of the Swiss Loan and Swiss Cure Payments made by the Swiss Subordinated Lender which are attributable to specified scheduled amortisation payments made to the Issuer (through the Swiss Note) in respect of the Swiss Senior Loan (avoiding double counting);

(b) "**Swiss Asset Prepayment Redemption Funds**" being (i) principal repayments received as a result of prepayment of any Swiss Loan in part or in full (excluding, for the avoidance of doubt, prepayments which constitute Swiss Asset Principal Recovery Funds) and (ii) principal repayments received by or on behalf of the Issuer as a result of a repurchase of the Swiss Loan by the Swiss Originator pursuant to the Swiss Asset Transfer Agreement, the purchase of the Swiss Loan by the Swiss Issuer Servicer or Swiss Issuer Special Servicer pursuant to the Swiss Issuer Servicing Agreement or the purchase of the Swiss Loan by the Swiss Subordinated Lender pursuant to the Swiss Intercreditor Deed (in each case, through the Swiss Note);

(c) "**Swiss Asset Final Redemption Funds**" being principal repayments received by or on behalf of the Issuer (through the Swiss Note) in respect of the Swiss Senior Loan as a result of the repayment of any Swiss Senior Loan upon its scheduled final maturity date; and

(d) "**Swiss Asset Principal Recovery Funds**" being principal repayments received by or on behalf of the Issuer (through the Swiss Note) as a result of actions taken in accordance with enforcement procedures in respect of the Swiss Senior Loan and the relevant portion of the Swiss Related Security.

The ATU Asset Amortisation Funds, the Dutch Asset Amortisation Funds, the Non-ATU German Asset Amortisation Funds and the Swiss Asset Amortisation Funds are together referred to in this Offering Circular as the "**Amortisation Funds**", the ATU Asset Prepayment Redemption Funds, the Dutch Asset Prepayment Redemption Funds, the Non-ATU German Asset Prepayment Redemption Funds and Swiss Asset Prepayment Redemption Funds are together referred to in this Offering Circular as the "**Prepayment Redemption Funds**", the ATU Asset Final Redemption Funds, the Dutch Asset Final Redemption Funds, the Non-ATU German Asset Final Redemption Funds and the Swiss Asset Final Redemption Funds are together referred to in this Offering Circular as the "**Final Redemption Funds**" and the ATU Asset Principal Recovery Funds, the Dutch Asset Principal Recovery Funds, the Non-ATU German Asset Principal Recovery Funds and the Swiss Asset Principal Recovery Funds are together referred to as "**Principal Recovery Funds**".

"**Available Funds**" means, as at a Distribution Date, an amount equal to the aggregate of the Revenue Receipts and the Principal Receipts standing to the credit of the Issuer Transaction Account at the close of business on the day immediately prior to the Determination Date applicable to such Distribution Date and all Revenue Receipts and Principal Receipts which are attributable to ATU Cure Payments, German Cure Payments, Swiss Cure Payments, Liquidity Drawings (other than Liquidity Drawings advanced pursuant to the Inter-company Loan Agreements) and payments made by the Swap Provider to the Issuer under the Swap Agreements which are received by the Issuer between that time and 10.00 a.m. on such Distribution Date. Available Funds shall also, for the avoidance of doubt, include any breakage costs paid by the Swap Provider to the Issuer following the occurrence of a prepayment or in certain other circumstances in respect of a Loan, where under the terms of a Loan Agreement, the liability of the Borrower has been reduced to reflect such breakage costs and payments received by the Issuer from the Borrower in relation to similar costs.

Principal Distributions

On each Distribution Date, the Notes will be subject to a mandatory redemption in part as described below. The "**Principal Distribution Amount**" for any Distribution Date prior to the service of a Note Acceleration Notice will be equal to the sum, without duplication, of:

(a) all Amortisation Funds, Prepayment Redemption Funds, Final Redemption Funds, and Principal Recovery Funds actually received during the Collection Period related to such Distribution Date, less

(b) the amount of any Liquidation Fee, ATU Liquidation Fee or Swiss Liquidation Fee or any portion of any Work-out Fee, ATU Work-Out Fee or Swiss Work-Out Fee (which is payable or has been paid by the Issuer in respect of the Dutch Loan or the German Loans (other than the ATU Loan) or the ATU Issuer in respect of the ATU Loan or the Swiss Issuer in respect of the Swiss Loan and is calculated by reference to any Principal Receipts received by the Issuer).

Sequential and Pro Rata Distributions of Principal Distribution Amount

On each Distribution Date, prior to the occurrence of a Sequential Payment Trigger, a portion of the Principal Distribution Amount then available for distribution will be applied on a sequential basis between the classes of Notes then outstanding and the remaining portion of the Principal Distribution Amount then available for distribution will be applied, subject to the Junior Class Lock-Out Rule, on a *pro rata* basis between the classes of Notes then outstanding. The portion of the Principal Distribution Amount that will be applied sequentially between each class of Notes is described in this Offering Circular as the "**Sequential Principal Distribution Amount**".

The Sequential Principal Distribution Amount for any Distribution Date will be equal to the Principal Distribution Amounts available on such Distribution Date less the Pro Rata Principal Prepayment Amount for such Distribution Date. For the avoidance of doubt, all release premiums relating to the disposal of a Property and all payments received by the Issuer in relation to breakage costs will be included in the Sequential Principal Distribution Amount. The determination of the Pro Rata Principal Prepayment Amount is described below.

The "**Pro Rata Principal Prepayment Amount**" for any Distribution Date will be equal to the aggregate of:

(i) 50% of Category Two Principal Prepayment Amounts (excluding any release premiums relating to the disposal of the Property); and

(ii) all Category Three Principal Prepayment Amounts (excluding any release premiums relating to the disposal of the Property).

"**Category One Obligations**" means:

(a) the A10 Shopping Center Loan;

(b) the GWK Loan;

(c) the Schmeing Loan; and

(d) the Tiago Loan.

"**Category Two Obligations**" means:

(a) the Swiss Note;

(b) the Jargonnant Loan;

(c) the Karstadt Kompakt Loan;

(d) the Procom Loan; and

(e) the WFC Loan.

"**Category Three Obligations**" means the ATU Note.

"**Category One Principal Prepayment Amounts**" for any Distribution Date means any Final Redemption Funds and Prepayment Redemption Funds received by the Issuer in respect of all Category One Obligations and available for application on that Distribution Date.

"**Category Two Principal Prepayment Amounts**" for any Distribution Date means any Final Redemption Funds and Prepayment Redemption Funds received by the Issuer in respect of all Category Two Obligations and available for application on that Distribution Date.

"**Category Three Principal Prepayment Amounts**" for any Distribution Date means any Final Redemption Funds and Prepayment Redemption Funds received by the Issuer in respect of all Category Three Obligations and available for application on that Distribution Date.

"**Sequential Payment Trigger**" means:

(a) a payment default has occurred in respect of any Loan; or

(b) the cumulative percentage of Loans (calculated by reference to the principal amount outstanding of the Loans as at the Cut-Off Date) which have defaulted since the Closing Date is greater than 10 per cent. of the aggregate principal amount outstanding of the Loans as at the Cut-Off Date; provided that, in determining whether a Loan has defaulted for the purposes of this paragraph:

(i) such determination shall be made solely on the basis of the terms of the relevant Loan Agreement as at the Closing Date and without regard to any subsequent amendments to the relevant Loan Agreement or waivers granted in respect thereof; and

(ii) an event of default shall not be deemed to have occurred if (A) the default is with respect to payment and such default has been remedied or cured (or an ATU Cure Payment, a German Cure Payment or a Swiss Cure Payment, as applicable, has been made in respect thereof) within five Business Days of such default, and/or (B) the default is other than with respect to payment, and the default is capable of being remedied or cured and such default has been remedied or cured within 30 days of such default being notified in accordance with the terms of the relevant Loan Agreement, and/or (C) enforcement procedures have been completed and the principal amount outstanding and all amounts of interest, fees, expenses and any other amounts payable by the relevant Borrower in respect of such defaulted Loan have been received in full or the relevant Borrower has prepaid the defaulted Loan in full (including, for the avoidance of doubt, all amounts of interest, fees, expenses and other amounts payable by the relevant Borrower in respect of such defaulted Loan) and/or (D) if the defaulted Loan is a Senior Loan, the Subordinated Lender has exercised its right to purchase such defaulted Loan; or

(c) NAI Amounts have been allocated to any class of Notes since the Closing Date due to realised losses on the Loans, or there has been a failure to pay interest when due on any Note (other than the most senior class of Notes then outstanding); or

(d) the aggregate Principal Amount Outstanding of all the Notes on such Calculation Date is less than 10 per cent. of their Principal Amount Outstanding as at the Closing Date.

The ''**Junior Class Lock-Out Rule**'' requires that the aggregate Principal Amount Outstanding of the Class H Notes shall not, on any Distribution Date, be less than the then applicable Junior Class Lock-Out Amount.

The ''**Junior Class Lock-Out Amount**'' is an amount which may vary from Distribution Date to Distribution Date in accordance with the following rules:

(a) if and for so long as the principal amount outstanding of the Karstadt Kompakt Loan is no less than its Cut-Off Date balance (disregarding for the purposes of such calculation any scheduled amortisation payments made but including prepayments), then the Junior Class Lock-Out Amount will be Euro 37,115,278 million;

(b) if the principal amount outstanding of the Karstadt Kompakt Loan only is reduced, as a result of prepayments, to below its Cut-Off Date balance, the Junior Class Lock-Out Amount will be an amount expressed in millions of Euro and determined in accordance with the following formula:

20.115278 + [17 x (100 per cent – Y)]

where ''Y'' is the percentage of the principal amount outstanding of the Karstadt Kompakt Loan, based on its Cut-Off Date balance, that has been prepaid;

(c) If the principal amount outstanding on the ATU Note only is reduced, as a result of prepayments, to below its Cut-Off Date balance, and the Karstadt Kompakt Loan has been fully prepaid, the Junior Class Lock-Out Amount will be an amount expressed in millions of Euro and determined in accordance with the following formula:

20.115278 x (100 per cent – Z)

where ''Z'' is the percentage of the principal amount outstanding of the ATU Note, based on its Cut-Off Date balance, that has been prepaid; and

(d) the principal amount outstanding of the Class H Notes shall not in any scenario be less than an amount equal to one per cent. of the aggregate Principal Amount Outstanding of the Notes on the relevant Distribution Date (taking into account any redemption of the Notes to be made on that Distribution Date).

If, as a result of the Junior Class Lock-Out Rule, an amount that would have been applied to reduce the Principal Amount Outstanding of the Class H Notes cannot be so applied, such amount shall instead be applied to redeem, on a *pro rata* basis, the Principal Amount Outstanding of the other classes of Notes.

Priority Payments

The Cash Manager shall, in the case of the amounts referred to in paragraph (a) below, and otherwise may, make the following payments out of the Issuer Transaction Account in priority to all other payments required to be made by the Issuer on any day such payments are required:

(a) out of Revenue Receipts or if such amounts are insufficient, from the proceeds of Expense Drawings, amounts due to third parties (other than the Issuer Related Parties), including the Issuer's liability, if any, to corporation tax and/or value added tax, under obligations incurred in the course of the Issuer's business;

(b) after a Dutch Loan event of default, any urgent capital expenditure required to prevent a material decline in the value of any Dutch Property, to be funded out of Revenue Receipts; and

(c) after a German Loan event of default, any urgent capital expenditure required to prevent a material decline in the value of any German Property (other than the ATU Properties), to be funded out of Revenue Receipts; and

(d) any amounts required to fund advances under the Inter-company Loan Agreements.

Such payments are together referred to as the "**Issuer Priority Payments**".

Pre-enforcement Priority of Payments

Prior to the service of a Note Acceleration Notice, on each Distribution Date, the Cash Manager will apply Available Funds (excluding any Pro Rata Principal Prepayment Amount) and the amount of any Liquidity Drawing, each as determined on the immediately preceding Determination Date in the following manner and order of priority (the "**Pre-enforcement Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

(a) first, in or towards satisfaction on a *pro rata* and *pari passu* basis according to the respective amounts thereof of the fees or other remuneration of (and amounts payable in respect of indemnity protection) and any costs, charges, liabilities and expenses incurred by the Note Trustee and the Issuer Security Trustee, respectively, and, in each case, the appointees thereof;

(b) second, in or towards satisfaction on a *pro rata* and *pari passu* basis according to the respective amounts thereof of the amounts, including audit fees, fees due to the stock exchange where the Notes are then listed, fees due to Rating Agencies and company secretarial expenses, which are payable by the Issuer to third parties and incurred without breach by the Issuer of the Note Trust Deed or the Deed of Charge and Assignment and not provided for payment elsewhere and to provide for any such amounts expected to become due and payable by the Issuer after that Distribution Date and to provide for the Issuer's liability or possible liability for corporation tax;

(c) third, in or towards satisfaction on a *pro rata* and *pari passu* basis according to the respective amounts thereof of, (i) all amounts due to the Issuer Corporate Services Provider, (ii) all amounts due to the Issuer Servicer or Issuer Special Servicer under the Issuer Servicing Agreement, (iii) all amounts due to the Operating Bank under the Cash Management Agreement, (iv) all amounts due to the Cash Manager under the Cash Management Agreement, (v) all amounts due to the Agents under the Agency Agreement and (vi) all amounts due to the Depository and the Registrar under the Depository Agreement and the Exchange Agent under the Exchange Agency Agreement,;

(d) fourth, in or towards all amounts due or accrued but unpaid to the Liquidity Facility Provider under the Liquidity Facility Agreement (other than Liquidity Subordinated Amounts);

(e) fifth, in or towards satisfaction, on a *pro rata* and *pari passu* basis, according to the respective amounts thereof of:

(i) amounts due or overdue to the Swap Provider under any Swap Agreement (other than Issuer Swap Subordinated Amounts);

(ii) interest due or overdue on the Class A1 Notes;

(iii) interest due or overdue on the Class A2 Notes; and

(iv) interest due or overdue on the Class X Notes;

(f) sixth, to redeem the Class A1 Notes (and, upon their maturity, optional redemption or enforcement, all principal then due and payable on the Class X Notes) in an amount equal to the lesser of the Principal Distribution Amount and the Principal Amount Outstanding of the Class A1 Notes (or the Class X Notes, as the case may be);

(g) seventh, to redeem the Class A2 Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class A2 Notes until the Class A2 Notes have been fully redeemed;

(h) eighth, in or towards payment to the Issuer of €1500 per annum (the "**Issuer's Profit**") to be retained as profit and distributed by the Issuer;

(i) ninth, in or towards satisfaction of interest due or overdue on the Class B Notes;

(j) tenth, to redeem the Class B Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class B Notes until the Class B Notes have been fully redeemed;

(k) eleventh, in or towards satisfaction of interest due or overdue on the Class C Notes;

(l) twelfth, to redeem the Class C Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class C Notes until the Class C Notes have been fully redeemed;

(m) thirteenth, in or towards satisfaction of interest due or overdue on the Class D Notes;

(n) fourteenth, to redeem the Class D Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class D Notes until the Class D Notes have been fully redeemed;

(o) fifteenth, in or towards satisfaction of interest due or overdue on the Class E Notes;

(p) sixteenth, to redeem the Class E Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class E Notes until the Class E Notes have been fully redeemed;

(q) seventeenth, in or towards satisfaction of interest due or overdue on the Class F Notes;

(r) eighteenth, to redeem the Class F Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class F Notes until the Class F Notes have been fully redeemed;

(s) nineteenth, in or towards satisfaction of interest due or overdue on the Class G Notes;

(t) twentieth, to redeem the Class G Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class G Notes until the Class G Notes have been fully redeemed;

(u) twenty-first, in or towards satisfaction of interest due or overdue on the Class H Notes;

(v) twenty-second, to redeem the Class H Notes in an amount equal to the lesser of the remaining Principal Distribution Amount and the Principal Amount Outstanding of the Class H Notes until the Class H Notes have been fully redeemed;

(w) twenty-third, in or towards satisfaction of any Liquidity Subordinated Amounts;

(x) twenty-fourth, in or towards satisfaction of any Issuer Swap Subordinated Amounts; and

(y) twenty-fifth, the surplus, if any, to the Issuer,

provided that the Class X Notes will not be redeemed on any Distribution Date unless the application of the Principal Distribution Amounts pursuant to the Pre-enforcement Priority of Payments and/or Condition 6(b), 6(c), 6(d) or 6(e) at pages 274, 274, 275 and 275 respectively will result in all of the Notes being redeemed in full in which case the Class X Notes will be redeemed in full.

"**Issuer Swap Subordinated Amount**" means any termination amount due to the Swap Provider as a result of the occurrence of a Swap Trigger.

The Issuer's obligation to pay interest in respect of the Class H Notes will be limited on each Distribution Date to an amount equal to the lesser of (a) the Interest Amount (as defined in Condition 5(d) at page 272) in respect of the Class H Note for that Distribution Date, and (b) the Adjusted Interest Amount for such class of Notes on that Distribution Date. If the difference between the Interest Amount and the Adjusted Interest Amount applicable to the Class H Notes is attributable to a reduction in the interest-bearing balances of the Loans as a result of any repayments and/or prepayments howsoever arising on the Loans, the amounts of interest that would otherwise be represented by such difference will be extinguished on such Distribution Date, and the affected Noteholders will have no claim against the Issuer in respect thereof.

Distribution of Pro Rata Principal Prepayments

On each Distribution Date, in respect of which the Pro Rata Principal Prepayment Amount is greater than zero the Pro Rata Principal Prepayment Amount will be allocated and distributed *pro rata* to each Class of Notes outstanding (other than the Class X Notes) subject to the Junior Class Lock-Out Rule based upon the respective Principal Amount Outstanding of each such class of Notes and the aggregate Principal Amount Outstanding of the Notes (other than the Class X Notes) on such Distribution Date, in each case after taking into account application of the Sequential Principal Distribution Amount on such Distribution Date.

Post-enforcement Priority of Payments

Following the service of a Note Acceleration Notice, the Issuer Security Trustee will apply all monies and receipts received by the Issuer and/or the Issuer Security Trustee or a receiver appointed by it (other than amounts standing to the credit of the Stand-by Account (if any)) (whether of principal or interest or otherwise) in the following manner and order of priority (the "**Post-enforcement Priority of Payments**") (in each case only if and to the extent that payments of a higher priority have been made in full):

(a) first, in or towards satisfaction on a *pro rata* and *pari passu* basis according to the respective amounts thereof of the costs, expenses, fees or other remuneration and indemnity payments (if any) payable to the Note Trustee or any of its appointees and the Issuer Security Trustee or any of its appointees (including any receiver appointed by the Issuer Security Trustee) and any costs, charges, liabilities and expenses incurred by either the Note Trustee or the Issuer Security Trustee or any of its appointees (including any receiver);

(b) second, in or towards satisfaction of, on a *pro rata* and *pari passu* basis according to the respective amounts thereof, (i) all amounts due to the Issuer Corporate Services Provider, (ii) all amounts due to the Issuer Servicer or Issuer Special Servicer, (iii) all amounts due to the Operating Bank, (iv) all amounts due to the Cash Manager, (v) all amounts due to the Agents, and (vi) all amounts due to the Depository, the Registrar and the Exchange Agent;

(c) third, in or towards satisfaction of all amounts due or accrued due but unpaid to the Liquidity Facility Provider under the Liquidity Facility Agreement (other than Liquidity Subordinated Amounts);

(d) fourth, in or towards satisfaction on a *pro rata* and *pari passu* basis according to the respective amounts thereof of:

  (i) all amounts due or overdue to the Swap Provider under any Swap Agreement (other than the Issuer Swap Subordinated Amounts);

  (ii) all interest and principal due or overdue on the Class A1 Notes;

  (iii) all interest and principal due or overdue on the Class A2 Notes; and

(iv) all interest and principal due or overdue on the Class X Notes;

(e) fifth, in or towards satisfaction of all interest and principal due or overdue on the Class B Notes;

(f) sixth, in or towards satisfaction of all interest and principal due or overdue on the Class C Notes;

(g) seventh, in or towards satisfaction of all interest and principal due or overdue on the Class D Notes;

(h) eighth, in or towards satisfaction of all interest and principal due or overdue on the Class E Notes;

(i) ninth, in or towards satisfaction of all interest and principal due or overdue on the Class F Notes;

(j) tenth, all interest and principal due or overdue on the Class G Notes;

(k) eleventh, all interest and principal due or overdue on the Class H Notes;

(l) twelfth, in or towards satisfaction of any Liquidity Subordinated Amounts;

(m) thirteenth, in or towards satisfaction of all Issuer Swap Subordinated Amounts; and

(n) fourteenth, the surplus, if any, to the Issuer or other persons entitled thereto.

Following the enforcement of the Issuer Security, the Issuer Security Trustee will pay the amount (if any) standing to the credit of the Stand-by Account to the Liquidity Facility Provider.

Prepayment Fees and Break Adjustments

Prepayment fees paid by the Borrowers under the Loan Agreements shall not, for the avoidance of doubt, be included in ATU Note Interest Receipts, Dutch Borrower Interest Receipts, German Borrower Interest Receipts or Swiss Note Interest Receipts (as the case may be). Similarly, breakage costs paid by the Swap Provider under any Swap Agreement shall not, for the avoidance of doubt, be included in Revenue Receipts. Such amounts if received from the Swap Provider shall be included in Available Funds under the circumstances described in ''Available Funds'' at page 53. If such amounts are not so included, they will be used by the Issuer to pay the relevant Borrower (if required under the relevant Loan Agreement) or if not, to enter into a replacement swap transaction or if not, to pay to the Originator as deferred consideration for the sale of the relevant Loans. Where such amounts are paid by the Swap Provider where they are included in ''Available Funds'', such amounts will be netted against the amounts otherwise owed by the Borrowers. If the Swap Provider is required to pay break costs under any other circumstances, such amounts shall be used by the Issuer to enter into a replacement swap transaction or alternatively, if not so required, such amounts shall be paid by the Issuer to the Originator as deferred consideration for the sale of the Loans.

On any prepayment and in certain other circumstances in relation to the Loans, a ''**Break Adjustment**'' may also be payable by the Borrower or the relevant lender, as applicable, based on the costs which would be incurred by the lender in unwinding or cancelling any Notional Hedge Transaction or any part thereof.

''**Notional Hedge Transaction**'' means a notional hedge transaction whereby a lender and the Borrower are deemed to have undertaken that (a) the Borrower will pay a fixed rate of interest equal to the rate determined as set forth below; and (b) that such lender will pay a floating rate of interest (including any margin) in the currency of the Loan, or a notional transaction of another type with substantially similar economic effects. For the purposes of this definition, the fixed rate of interest payable by the Borrower prior to the scheduled maturity date of the Loan will be the rate per annum determined by the relevant facility agent to be the aggregate of the applicable margin and fixed rate (each as specified in the applicable Loan Agreement) and any Mandatory Cost (as defined in the Loan Agreement).

Security for the Notes

The obligations of the Issuer to the Issuer Secured Creditors will be secured by and pursuant to the Issuer Security Documents, being:

(a) the Deed of Charge and Assignment, governed by English law;

(b) the German Security Agreement, governed by German law;

(c) the Luxembourg Security Agreement, governed by Luxembourg Law; and

(d) the Swiss Security Agreement, governed by Swiss Law,

each of which will be entered into on the Closing Date.

Pursuant to the Issuer Security Documents, the Issuer will grant the Issuer Security in favour of the Issuer Security Trustee.

Pursuant to the Deed of Charge and Assignment, the Issuer will grant the following security interests (the "**Issuer English Security**"):

(a) an assignment by way of first-ranking security of the Issuer's rights, title, benefit and interest, present and future, in, to and under the Issuer Servicing Agreement, the Cash Management Agreement, the Agency Agreement, the Liquidity Facility Agreement, the Swap Agreements, the Depository Agreement, the Note Trust Deed, the Exchange Agency Agreement, the Issuer Corporate Services Agreement, the Inter-company Loan Agreements, the Asset Transfer Agreements and any other contractual agreements entered into by the Issuer (other than any other Issuer Security Document or any Swiss Issuer Transaction Document);

(b) a first fixed charge over the Issuer's rights, title, benefit and interest, present and future, in and to the Issuer Transaction Account, the Stand-by Account and (if opened) the Swap Collateral Cash Account and the Swap Collateral Custody Account and any other bank or securities account in England and Wales in which the Issuer may place and hold its cash or securities resources, and in the funds or securities from time to time standing to the credit of such accounts and in the debts represented thereby;

(c) a first fixed charge in and to the Issuer's rights, title, benefit and interest, present and future, in and to the Dutch Loan, the German Loans and Eligible Investments and all monies, income and proceeds payable thereunder or accrued thereon and the benefit of all covenants relating thereto and all rights and remedies enforcing the same; and

(d) a first-ranking floating charge governed by English law over the whole of the undertaking and assets of the Issuer, present and future (other than any property or assets of the Issuer subject to the assignments by way of security and the fixed charges set out in paragraphs (a) to (c) above and other than property or assets subject to the security constituted by the German Security Agreement, the Luxembourg Security Agreement and the Swiss Security Agreement).

Pursuant to the German Security Agreement, the Issuer will grant to the Issuer Security Trustee a first-ranking assignment of the beneficial security interests it has obtained in respect of the German Related Security (the "**Issuer German Security**") with respect to the relevant German Related Security governed by German law.

Pursuant to the Luxembourg Security Agreement, the Issuer will grant a first-ranking pledge of the ATU Note and all the rights relating thereto to the Issuer Security Trustee (the "**Issuer Luxembourg Security**").

Pursuant to the Swiss Security Agreement, the Issuer will grant a first-ranking pledge of the Swiss Note and all the rights relating thereto to the Issuer Security Trustee (the "**Issuer Swiss Security**").

RISK FACTORS

The following is a summary of certain issues of which prospective Noteholders should be aware, but it is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision. Some of the issues set out in this section of the Offering Circular are mitigated by certain representations and warranties which the Originator will provide in its respective Asset Transfer Agreement in relation to the Originated Assets, the Properties and other associated matters.

For further information in relation to such representations and warranties, see "Sale of Originated Assets – Representations and Warranties" at page 153.

General Factors Relating to the Originated Assets

Default by Obligors

The ability of the Issuer to meet its obligations under the Notes will be dependent on the receipt by it of funds from the ATU Issuer, the Dutch Borrower, the German Borrowers and the Swiss Issuer in respect of the Issuer Assets and, in turn, on the receipt by the ATU Issuer of funds from the ATU Borrower under the ATU Loan Agreement and on the receipt by the Swiss Issuer of funds from the Swiss Borrower under the Swiss Loan Agreement. The Issuer's ability to meet its payment obligations under the Notes will also be dependent on payments from the Swap Provider under the Swap Agreements in relation to, among other things, the Fixed Rate Loans and other risks in respect of which hedging has been sought and, where necessary and applicable, the availability of drawings under the Liquidity Facility Agreement.

The ability of the ATU Issuer to meet its payment obligations under the ATU Note may also be dependent upon the availability of Expense Drawings to cover the costs of enforcing the ATU Assets.

The ability of the Swiss Issuer to meet its payment obligations under the Swiss Note may also be dependent upon the availability of Expense Drawings, to cover the costs of enforcing the Swiss Assets.

If, on a default in respect of the Issuer Assets or Originated Assets and following the exercise of all available remedies in respect of the Issuer Assets or the Originated Assets, as the case may be, the Issuer, the ATU Issuer or the Swiss Issuer does not receive all amounts owing in respect of the relevant asset, then Noteholders (or the holders of certain classes of Notes) may receive, by way of principal repayment, an amount less than the face value of their Notes and the Issuer may be unable to pay in full interest due on the Notes or certain classes of the Notes. The Issuer does not guarantee or warrant full and timely payment of any sums owing in respect of the Issuer Assets or the Originated Assets.

Each Loan is secured, in whole or in part, over property which is let, either for commercial or multifamily purposes. Lending against the security of income generating property is generally perceived to expose lenders to a greater risk of loss than lending against the security of owner occupied multifamily property. Prospective Noteholders should be aware that, except as otherwise described in this Offering Circular, each Borrower is a limited purpose vehicle, with limited access to capital beyond the net operating or Rental Income generated by the property or properties it owns. Such cash-flow may be reduced, for example, upon termination of a lease (whether by the passage of time, a notice of termination by the tenants, upon a default by the tenant or under law), if a lease is not renewed or replaced or if operating expenses incurred by the property owner increase beyond those anticipated by the property owner. Such cash-flow may also be reduced if capital expenditure is required to maintain or improve the property in order to comply with obligations to tenants, or to attract new tenants. In any of these circumstances, the relevant Borrower's ability to make payments of interest and repayments of principal in respect of its Loan may be impaired.

Nature of Borrowers

Except as otherwise indicated in this Offering Circular in relation to the GWK Borrower, each Borrower was incorporated as a limited purpose entity with the sole purpose of acquiring a

Property or Properties and/or raising debt to fund that acquisition, such debt to be secured against the relevant Property or Properties, or if they were not incorporated in this form, have been subsequently converted into a limited purpose entity of that type through appropriate contractual or constitutional restrictions being imposed upon them.

All of the Borrowers have given various positive and negative covenants in their respective Loan Agreements, for the purpose of maintaining their status as (except in the case of the GWK Borrower) limited purpose, property owning vehicles. Thus, the Originator has satisfied itself at the time of origination of the Originated Assets that (except as otherwise disclosed in this Offering Circular in relation to the GWK Borrower) the relevant Borrower had no material liabilities, actual or contingent, other than such as are formally subordinated pursuant to a binding subordination agreement or otherwise reserved for, except in relation to the Properties which constitute security for the relevant Loan. However, the ability of the Borrowers to service the debt owing in respect of the Originated Assets will be conditional upon the respective Properties generating sufficient net operating income to cover the expenses of owning and maintaining the Properties, as well as servicing such debts. In undertaking its assessment of a prospective borrower and a prospective loan, the Originator had regard to the fact that commercial properties must be maintained to a high standard in order to attract and retain high quality tenants, and that wherever a property is situated, maintenance must be performed in a scheduled and timely fashion in order to prevent a deterioration in the value or attractiveness of the property to tenants. In certain cases, the principal obligation to maintain a property will fall on the tenants; this is not, however, always the case; and an analysis of a prospective borrower's ability to maintain a property, and its sources of funds to cover the costs of maintenance and capital expenditure, has been undertaken by the Originator where appropriate, prior to the origination of a Loan.

Refinancing and Disposal

Each Loan Agreement contains provisions requiring the relevant Borrower to make a repayment of principal on the final maturity date of the relevant Loan. However, none of the Loans amortise to zero by its scheduled maturity date and, therefore, a Borrower's ability to repay its Loan on final maturity will be dependent upon its ability to raise Refinancing Proceeds or Disposal Proceeds. The ability of a Borrower to refinance a Property will be dependent, among other things, on the willingness and ability of lenders, which typically include banks, insurance companies and finance companies, to make loans secured on the Property and, in certain cases, the Borrower's ability to enter into suitable swap arrangements in connection with such refinancing. The availability of funds in the loan markets fluctuates and there can be no assurance that funds in the amount required to refinance any particular Loan will be available to refinance that Loan on its scheduled maturity date. In addition, the availability of assets similar to a Property and competition for available credit may have a significant adverse effect on the ability of a Borrower to refinance or sell its Property or Properties. None of the Issuer, the ATU Issuer, the Originator or the Swiss Issuer is under any obligation to provide any such refinancing and there can be no assurance, for the reasons described above, that the necessary Refinancing Proceeds or Disposal Proceeds would be raised.

A failure to raise the necessary Refinancing Proceeds or Disposal Proceeds may result in a Borrower defaulting under its Loan Agreement. Similarly, a failure to maintain a Property and carry out capital expenditure to preserve the rental value of a Property may result in the liquidation or refinancing value of the Property being less than the amount necessary to repay the relevant Loan in full through an insufficiency in Refinancing Proceeds or Disposal Proceeds. In the event of such a default, the Noteholders, or the holders of certain classes of Notes, may receive by way of principal repayment an amount less than the face value of their Notes and the Issuer may be unable to pay in full interest due on the Notes or certain classes of the Notes.

The Properties

The Loans are fully secured by, among other things, except as otherwise described in this Offering Circular, first-ranking and fully perfected mortgages over the Properties though where registration of the mortgages is still pending, notarial certificates have been obtained which confirm the ranking of the mortgages upon registration. The repayment of each Loan may be, and the payment of interest on each Loan is, dependent on the ability of the applicable Property or Properties to generate cash-flow. However, the income-producing capacity of the Properties may be adversely affected by a large number of factors. Some of these factors relate specifically to a

Property itself, such as the age, design and construction quality of the Property; perceptions regarding the safety, convenience and attractiveness of the Property; the proximity and attractiveness of competing properties; the adequacy of the Property's management and maintenance; an increase in the capital expenditure needed to maintain the Property or make improvements; a decline in the financial condition of a major tenant; a decline in rental rates as leases are renewed or entered into with new tenants; the length of tenant leases and the length of any void period between tenant leases; termination rights of the tenants; the creditworthiness of tenants; and the size of the real estate market in the relevant jurisdiction and of the real estate market for the type of property in question in certain locations within that jurisdiction.

Other factors which could have an impact on the value of a Property are more general in nature, such as: national, regional or local economic conditions (including plant closures, industry slowdowns and unemployment rates); local property conditions from time to time (such as an oversupply or under supply of retail or office space); demographic factors; consumer confidence; consumer tastes and preferences; retrospective changes in building codes or other regulatory changes; changes in governmental regulations, fiscal policy, planning/zoning or tax laws; potential environmental legislation or liabilities or other legal liabilities; the availability of refinancing; and changes in interest rate levels or yields required by investors in income-producing commercial or multifamily properties.

The occupational tenancies which have been granted in respect of the Properties may contain provisions for the review of rent. However such rent review provisions do not generally provide for upward only rent reviews.

Investors should note that the Properties, which constitute the ultimate security for the Notes, are located in three jurisdictions – Germany, the Netherlands and Switzerland. There are likely to be substantive differences between the economic conditions in each of these jurisdictions, in the local property markets, and in demographic and consumer trends in each of these jurisdictions. Furthermore, the legal and regulatory regime in each of these jurisdictions is unique to that jurisdiction.

For further information about the legal and regulatory regimes prevailing in each of these jurisdictions insofar as they relate to the relevant Loans, see ''Certain Matters of Dutch Law'' at page 294, ''Certain Matters of German Law'' at page 298 and ''Certain Matters of Swiss Law'' at page 308.

A deterioration in the commercial property market in any of the jurisdictions or in the financial condition of a major tenant of a Property (where a Property is partly or wholly let) will tend to have a more immediate effect on the net operating income of properties with short-term revenue sources and may lead to higher rates of delinquency or defaults.

There can be no assurance that leases on terms (including gross rents and service charges payable, and covenants of the landlord particularly where an existing tenant pays a rent which is in excess of prevailing market rents, and tenant) equivalent to the leases on the Properties as at the Closing Date will be achievable in the future, that market practices in the jurisdictions in which the Properties are located will not have changed, or that changes in law in the relevant jurisdictions will not limit the terms of leases in respect of any Property which is entered into after the Closing Date. Equally, there can be no assurance that the Borrowers, or their sponsors, will be able to attract tenants of comparable credit quality to the Properties in the event that leases expire or are terminated. There can also be no assurance that the credit quality of the tenants of the Properties as at the Closing Date will not deteriorate over time. The leases on any of the Properties may terminate earlier than their contractual expiry date if the tenant surrenders the lease or defaults under the lease or if it exercises a right, provided for in the lease, to terminate it. The ability of a Borrower to re-let its Property, and the rents achieved on the re-letting, will be dependent on the macro-economic and local economic conditions prevailing at the time of re-letting, as well as the condition of the affected Properties and the availability of alternative properties to prospective tenants.

Any one or more of the factors described above could operate to have an adverse effect on the income derived from, or able to be generated by, a particular Property, which could in turn cause the relevant Borrower to default on its Loan, or impair the ability of a Borrower to refinance its Loan or sell its Property or Properties and may result in the liquidation value or refinancing value of the Property being less than the amount required to repay the Loan advanced against such Property.

The Tenants

A Borrower's ability to make its payments under its Loan Agreement will be substantially dependent on payments being made by the tenants of the relevant Property or Properties. Where a Borrower, as landlord, is in default of its obligations under a tenancy, a right of set-off could, with certain limitations, be exercised by a tenant of the relevant Property in respect of its rental obligations. In respect of a multi-tenanted Property, a Borrower would normally be obliged to provide services in respect of the relevant Property irrespective of whether certain parts of the relevant Property are unlet. The Borrower in its capacity as landlord, in such circumstances, would have to meet any shortfall in recovering the costs of the services or risk the tenants exercising any right of set-off.

The Rent Accounts

In order to ensure that they receive rent payments from the tenants, the Originator has structured the Loan Agreements so that, except as described below, rent payments are required to be made directly by the tenants to the WFC Borrower Rent Account, the German Borrower Rent Accounts or the Coop Borrower Rent Account, as applicable (collectively, the "**Borrower Accounts**" and each a "**Borrower Account**"). Prior to the Closing Date, the Borrower Accounts are secured in the case of the Dutch Loan, to the Dutch Security Trustee, in the case of the German Loans, to the German Security Trustee and in the case of the Swiss Loan, to the Swiss Security Agent. Each Borrower has agreed not to countermand or vary the instructions to its tenants as to the Borrower Account to which its rent receipts should be credited. Save as described below, tenants have been notified that payments are to be made into a Borrower Account.

For commercial reasons, where an independent managing agent is appointed in respect of a Property and is empowered to collect payments of rent, tenants may not be advised of the existence of the Borrower Accounts, and the Originator, relies upon such managing agent to collect rents and ensure that they are credited to the applicable Borrower Accounts (or, where a managing agent has established a bank account in its own name for such purposes, to the applicable managing agent account). A managing agent has been appointed in respect of certain of the Properties, and therefore acts as an intermediary in collecting Rental Income in respect of those Properties. Any failure by the managing agent to discharge its obligations could impact upon the collection of rents or the relevant amounts being credited to the Borrower Accounts.

A failure to control rental payments in the manner contemplated could cause a Borrower to default under its Loan Agreement, impair the ability of a Borrower to refinance its Loan or sell its Property and may result in the liquidation value or refinancing value of the Property being less than the amount necessary to repay the relevant Loan in full.

Insurance

Each Loan Agreement contains provisions, except as described elsewhere in this Offering Circular, requiring the relevant Borrower to insure its respective Properties against the risk of damage or destruction, third party liabilities, acts of terrorism (except in respect of certain Loans) and such other risks as a prudent owner of similar properties would insure against, including insurance against loss of rent. The specific requirements in terms of insurance vary from Loan Agreement to Loan Agreement, however.

Each of the Borrowers has granted a security or other interest in respect of their rights against the insurance companies for amounts which are or may become due under the insurance policies taken out by the relevant Borrower in respect of the relevant Property. Such grants of security are required by the relevant loan documentation to be updated from time to time as necessary.

A failure by any of the Borrowers to keep the relevant insurance policies current in respect of a relevant Property may, on the occurrence of any damage to such Property or loss of rent thereon, which would otherwise have been recoverable under such insurance policy, result in a corresponding loss in the value of such Property or payment recovery under the corresponding Loan. Similarly, even where the relevant insurance policy is current, there could be an administrative delay in obtaining payment by the Borrowers from the insurers which could affect the ability of the Borrowers to meet their respective payment obligations during that period of delay.

Certain types of risks and losses (such as losses resulting from war, terrorism, nuclear radiation, radioactive contamination and heaving or settling of structures) may be or become either uninsurable or not economically insurable or are not covered by the required insurance policies. Other risks might become uninsurable (or not economically insurable) in the future. If an uninsured or uninsurable loss were to occur, the Borrowers might not have sufficient funds to repay in full all amounts owing under or in respect of the relevant Loan Agreement.

Valuations

The Origination Valuations in respect of the Properties have been provided by a number of independent qualified firms of valuers. The Origination Valuations express the professional opinion of the relevant valuers on the relevant Property and are not guarantees of present or future value in respect of such Property. One valuer may, in respect of any Property, reach a different conclusion than the conclusion in relation to a particular Property that would be reached if a different valuer were appraising such Property and the methodologies applied by the valuers also vary between the Origination Valuations. Moreover, valuations seek to establish the amount that a typically motivated buyer would pay a typically motivated seller and, in certain cases, may have taken into consideration the purchase price paid by the existing property owner. There can be no assurance that the market value of the relevant Property will continue to equal or exceed the valuation contained in the relevant valuation report. If the market value of a Property fluctuates, there can be no assurance that the market value will be equal to or greater than the unpaid principal and accrued interest on the Loan made in respect of such Property and any other amounts due under the relevant Loan Agreement. If the Property is sold following an event of default in respect of a Loan, there can be no assurance that the net proceeds of such sale will be sufficient to pay in full all amounts due in respect of the relevant Loan.

Leaseholds and Hereditary Building Rights

Certain of the Properties are leasehold properties or, in the case of the German Properties, hereditary building right properties. If the relevant Borrowers do not pay the relevant ground rents in respect of such leasehold properties or hereditary building right properties, the relevant superior landlord may seek to forfeit the relevant leases or hereditary building rights (or take analogous steps under Dutch, German or Swiss law).

Compulsory Purchase and Expropriation of Properties

Any property in Germany, the Netherlands or Switzerland may at any time be compulsorily acquired by, among others, a local or public authority or a governmental department on public interest grounds, for example, a proposed redevelopment or infrastructure project. No such compulsory purchase proposals were, however, revealed in the course of the due diligence undertaken by the Originator at the time of the origination of the Originated Asset.

Each of Germany, the Netherlands and Switzerland has its own legal rules relating to compulsory purchase of property, providing a process pursuant to which a compulsory purchase of property may occur. Under the legal rules of each jurisdiction, the owners and occupiers of a property subject to a compulsory purchase proposal will be entitled to receive a market value orientated price for the property. In the context of the Properties, there can be no assurance, however, that the compulsory purchase price would be equal to the amount or portion of the Loan secured upon such Property or that the compulsory purchase price would be paid prior to the scheduled maturity date of the Loan. This could undermine the ability of the affected Borrower to repay the principal of the relevant Loan. Moreover, under the legal rules of each jurisdiction, a compulsory purchase order in respect of a property may have the effect of releasing the tenants thereof from their obligations to pay rent. In the context of the Properties, this could undermine the ability of a Borrower to pay interest on the relevant Loan by reducing the generation of Rental Income. Under the laws of the Netherlands, a compulsory purchase order in respect of a property has the effect of terminating the occupational leases that have been entered into in respect of the Property.

In the case of each of Germany, the Netherlands and Switzerland, there is often a delay between the compulsory purchase of a property and the payment of compensation in relation to such compulsory purchase, the length of which will largely depend upon the ability of the property owner and the entity acquiring the property to agree on the market value of the affected property, or other means of determining the amount of compensation payable upon a compulsory purchase.

Should such a delay occur in the case of a Property, then, unless the affected Borrower has other funds available to it, an event of default may occur under the affected Loan Agreement. Following the payment of compensation, the affected Borrower will be required to prepay all or such part of the amounts owing by it under the affected Loan Agreement, as applicable, as is equivalent to the compensation payment received. The proceeds of any such prepayment will be paid, ultimately, to the Issuer and will be applied by the Issuer to redeem the Notes (or part thereof).

Force Majeure and Similar Matters

The laws of each of Germany, the Netherlands and Switzerland recognise the doctrine of *force majeure*, permitting a party to a contractual obligation to be freed from it upon the occurrence of an event which renders impossible the performance of such contractual obligation. There can be no assurance that the tenants of Properties will not be subject to a *force majeure* event leading to such tenants being freed from their obligations under their leases. This could undermine the generation of Rental Income and hence the ability of the relevant Borrower to pay interest on or repay the principal in respect of the relevant Loan.

Risks Relating to Planning

The laws of each of Germany, the Netherlands and Switzerland impose regulations that buildings comply with local planning requirements. Violation of local planning regulations can have consequences such as the imposition of a fine on the owner of the relevant building, a requirement that alterations are made to the relevant building or, in certain circumstances, the demolition of the relevant building or the relevant part thereof. The due diligence undertaken at the time the Loans were originated did not reveal, in the case of any of the Properties, any material non-compliance with local planning requirements which prevented the Originator making the Loan. However, such due diligence was based on a documentary review rather than a detailed physical examination of each of the Properties to ensure compliance and no assurance can, therefore, be provided that there, in fact, are no breaches of local planning requirements.

Property Owners' Liability to Provide Services

Occupational tenancies will usually contain provisions for the relevant tenant to make a contribution towards the cost of maintaining common areas calculated with reference, among other things, to the size of the premises demised by the relevant tenancy and the amount of use which such tenant is reasonably likely to make of the common areas. The contribution forms part of the service charge payable to the landlord (in addition to the principal rent) in accordance with the terms of the relevant tenancy.

The liability of the landlord in each case to provide the relevant services is, however, not always conditional upon all such contributions being made and, consequently, any failure by any tenant to pay the service charge contribution on the due date or at all would oblige the landlord to make good the shortfall from its own monies until the relevant amounts are recovered from the tenants. The landlord would also need to pay from its own monies service charge contributions in respect of any vacant units and seek to recover any shortfall from the defaulting tenant using any or all of the remedies that the landlord has under the lease to recover outstanding sums.

Property Expenses

Maintaining the value of the Properties is dependent, to some extent, on undertaking periodic capital expenditure in respect thereof. In the ordinary course of events, the Borrowers will fund such capital expenditure out of cash-flow available to them, generated by the Properties. Such capital expenditure may be required, however, following the occurrence of an event of default in respect of a Loan. In this scenario, it is unlikely that the Borrowers would be able to fund such capital expenditure out of cash-flow available to them. In the event that the necessary capital expenditure is not undertaken, this could lead to a diminution in the value of the relevant Property, impacting on the liquidation or refinancing value thereof and hence the ability to generate sufficient Disposal Proceeds or Refinancing Proceeds. The possibility of such diminution in value would be heightened in the event that the enforcement proceedings following an event of default in respect of a Loan are protracted.

Appointment of Substitute ATU Issuer Servicer

The ATU Issuer Servicing Agreement contains provisions which allow, under certain circumstances, for the appointment of the ATU Issuer Servicer to be terminated. For a termination of the appointment of the ATU Issuer Servicer under the ATU Issuer Servicing Agreement to be effective, however, a substitute servicer must have been appointed by the ATU Issuer. There is no guarantee that a substitute servicer could be found who would be willing to service the relevant ATU Assets at a commercially reasonable fee, or at all, on the terms of the ATU Issuer Servicing Agreement. In any event, the ability of such substitute servicer to perform the required services fully would depend on the information and records then available to it, as well as its own experience in servicing similar assets.

Appointment of Substitute Swiss Issuer Servicer

The Swiss Issuer Servicing Agreement contains provisions which allow, under certain circumstances for the appointment of the Swiss Issuer Servicer to be terminated. For a termination of the appointment of the Swiss Issuer Servicer under the Swiss Issuer Servicing Agreement to be effective, however, a substitute servicer must have been appointed by the Swiss Issuer. There is no guarantee that a substitute servicer could be found who would be willing to service the Swiss Assets at a commercially reasonable fee, or at all, on the terms of the Swiss Issuer Servicing Agreement. In any event, the ability of such substitute servicer to perform the required services fully would depend on the information and records then available to it, as well as its own experience in servicing similar assets.

Appointment of Substitute Issuer Servicer

The Issuer Servicing Agreement contains provisions which allow, under certain circumstances for the appointment of the Issuer Servicer to be terminated. The termination of the appointment of the Issuer Servicer under the Issuer Servicing Agreement will not be effective, however, until a substitute issuer servicer has been appointed. There is no guarantee that a substitute issuer servicer could be found who would be willing to perform the servicing functions specified in the Issuer Servicing Agreement, at a commercially reasonable fee or at all. The fact that the Originated Assets that support the payments on the Notes are located in, or comprise rights against persons located in, a number of different jurisdictions, each of which has a legal system unique to that jurisdiction, may reduce the number of persons available with the appropriate experience and expertise to perform effectively as the Issuer Servicer in accordance with the terms set out in the Servicing Agreement.

Risks relating to Conflicts of Interest

Conflicts of interest may arise between the Issuer on one hand, and the Originator, on the other hand, because the Originator and certain of its affiliates intend to continue actively to service, acquire, develop, finance and dispose of real estate-related assets in the ordinary course of their business. During the course of their business activities the Originator or those affiliates may operate, service, acquire or sell properties, or finance loans secured by properties, which are in the same markets as the Properties. In such cases, the interests of the Originator or those affiliates may differ from, and compete with, the interests of the Issuer, and decisions made with respect to those assets may adversely affect the value of the Properties and therefore, ultimately, the ability of the Issuer to make payments under the Notes. Likewise, the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer may service, acquire, develop, operate, finance or dispose of real estate-related assets in the ordinary course of their business so causing similar conflicts of interest to arise.

At the time of origination of the ATU Loan, the ATU Parent granted the Originator an option (the "**ATU Equity Option**") to acquire up to 25 per cent. by value of the shares of the ATU Borrower from the ATU Parent. The Originator is currently continuing negotiations with the ATU Parent to exercise the ATU Equity Option.

The Tiago Borrower purchased the Tiago Properties from an affiliate of the Originator, DB Real Estate Investment GmbH ("**DBRE**").

Insolvency of the ATU Borrower and Karstadt Kompakt Borrowers and Enforcement of Related Security

Although the ATU Borrower and Karstadt Kompakt Borrowers have been incorporated for the purpose of acquiring specific German Properties, they may, nonetheless, being entities incorporated in the Netherlands, become insolvent or subject to moratorium proceedings under Dutch law. The Issuer, as lender (after the Closing Date) under the ATU Loan and the Karstadt Kompakt Loan and beneficiary of the security interests granted in connection therewith should not, as a matter of Dutch law, be prejudiced by the commencement of either form of insolvency proceeding. However, a secured creditor may be prejudiced in certain respects in the context of a bankruptcy or a suspension of payments.

For further information about such limitations, see ''Certain Matters of Dutch Law'' at page 294.

Insolvency of the German Borrowers; Enforcement of German Related Security

The German Borrowers which are organised under the laws of Germany and the other parties to the German Loan Agreements and the documents entered into ancillary thereto which are established under the laws of Germany are subject to the provisions of German insolvency law. Although the German Borrowers (except where otherwise stated in this Offering Circular) have been established for the purpose of acquiring specific German Properties and are limited purpose entities, they may, nonetheless, become insolvent or subject to moratorium proceedings under German law. The Issuer, as lender (after the Closing Date) under the German Loan Agreements and beneficiary of the security interests granted in respect thereof, will have certain rights under the German Loan Agreements if one or more of the German Borrowers becomes insolvent or subject to a moratorium, including certain rights to enforce the German Related Security. However, the rights of creditors of insolvent German companies are limited by law; self-help remedies, for example appointing a receiver in respect of a property and controlling the manner and timing of the sale of secured collateral, are also limited or excluded, as the case may be, by mandatory provisions of German law.

For further information about such limitations, see ''Certain Matters of German Law'' at page 298.

Insolvency of the Swiss Borrowers and the Procom Borrowers; Enforcement of the relevant Related Security

As the Borrower in respect of the Coop Loan was incorporated in Luxembourg, such Borrower is subject to the provisions of Luxembourg insolvency legislation. Although such Borrower has been incorporated for the purpose of acquiring specific Swiss Properties, it may, nonetheless, become insolvent or subject to moratorium proceedings under Luxembourg law. The Swiss Issuer, as lender (after the Closing Date) under the relevant Swiss Loan Agreement and holder of the security interests granted in connection therewith, will have certain rights in respect thereof if the Borrower becomes insolvent or subject to a moratorium, and certain rights to enforce its security. However, the rights of creditors of insolvent Luxembourg companies are limited by law; self-help remedies, for example appointing a receiver in respect of a property and controlling the manner and timing of the sale of secured collateral, are also limited by mandatory provisions of Luxembourg law.

For further information about such limitations, see ''Certain Matters of Luxembourg Law'' at page 306.

Irrespective of the fact that the majority of the Swiss Borrower's assets are located in Switzerland, the Swiss courts could determine that the insolvency regime applicable to the Swiss Borrower would be that of the country of its incorporation (being Luxembourg). As such, the Swiss courts would recognise the mandatory provisions of the insolvency law of Luxembourg in the context of an enforcement proceeding brought in respect of any Swiss Related Security relating to the Coop Loan in the Swiss courts.

For further information about the effect of an insolvency of the Swiss Borrower on the enforcement of the Swiss Related Security from a Swiss law perspective, see ''Certain Matters of Swiss Law'' at page 308 and ''Certain Matters of Luxembourg Law'' at page 306.

As the Procom Borrowers have moved their centres of administration (*tatsächlicher Verwaltungssitz*) to Luxembourg, the centre of main interest of the Procom Borrowers, for the

purposes of any collective proceedings under the EU Insolvency Regulation (EC) No. 1346/2000 of 29 May 2000, is likely to be in Luxembourg. As a result, the Procom Borrowers may become subject to the provisions of Luxembourg insolvency legislation. Although the Procom Borrowers have been incorporated for the purpose of acquiring specific German Properties, they may, nonetheless, become insolvent or subject to moratorium proceedings under Luxembourg law. The Issuer, as lender (after the Closing Date) under the Procom Loan Agreement and holder of the security interests granted in connection therewith, will have certain rights in respect thereof if the Procom Borrowers become insolvent or subject to a moratorium, and certain rights to enforce its security. However, as stated above, the rights of creditors of insolvent Luxembourg companies are limited by law; self-help remedies, for example appointing a receiver in respect of a property and controlling the manner and timing of the sale of secured collateral, are also limited by mandatory provisions of Luxembourg law.

For further information about such limitations, see ''Certain Matters of Luxembourg Law'' at page 306.

Irrespective of the fact that the majority of each Procom Borrower's assets are located in Germany, the German courts could determine that the insolvency regime applicable to the Procom Borrowers would be that of the country where they maintain their centre of administration (*tatsächlicher Verwaltungssitz*) (being Luxembourg). As such, the German courts would recognise the mandatory provisions of the insolvency law of Luxembourg in the context of an enforcement proceeding brought in respect of any German Related Security relating to the Procom Loan in the German courts.

Notwithstanding the fact that the Procom Borrowers have moved their centres of administration to Luxembourg, the German courts could take the view that the statutory seat of the Procom Borrowers remains in Germany (where the Procom Properties are located) and that, accordingly, the centre of main interests of each of the Procom Borrowers is situated in Germany and that, as a result, the German insolvency regime would be applicable to the Procom Borrowers.

For further information about the effect of an insolvency of a Procom Borrower on the enforcement of the relevant German Related Security from a German law perspective, see ''Certain Matters of German Law'' at page 298 and ''Certain Matters of Luxembourg Law'' at page 306.

Due Diligence

The only due diligence (including valuations of Properties) that has been undertaken in relation to the Originated Assets and the Properties is described below under ''The Loans and Related Security'' at page 89 and was undertaken in the context of and at the time of the origination of each particular Originated Asset. None of the due diligence undertaken at the time of origination of the Originated Assets was verified or updated prior to the sale of the applicable Originated Assets to the ATU Issuer or will be verified or updated prior to the sale of the remaining Originated Assets to the Issuer or the Swiss Issuer, as applicable. Each of the Issuer and the Swiss Issuer, will rely on the warranties given to it in respect of the applicable Originated Assets by the Dutch Originator, the German Originator or the Swiss Originator, as applicable, in the applicable Asset Transfer Agreement. No representations with respect to the Swiss Assets will be provided to the Issuer, such representations being provided only to the Swiss Issuer.

Breach of warranty in relation to the Originated Assets

Except as described under ''Sale of Originated Assets'' at page 150, none of the Issuer, the Note Trustee, the Issuer Security Trustee, the ATU Issuer or the Swiss Issuer has undertaken or will undertake any investigations, searches or other actions as to the status of the Borrowers or any other matters relating to the Loans or the Properties at any time prior to the Closing Date. The Issuer, the Issuer Security Trustee and the Note Trustee will rely, in the case of the Dutch Loan, on warranties given by the Dutch Originator in the Dutch Loan Sale Agreement and, in the case of the German Loans (other than the ATU Loan), on warranties given by the German Originator in the Non-ATU German Asset Transfer Agreement and, in the case of the ATU Assets, on warranties provided to it by the ATU Originator under the ATU Note Sale Agreement. In the case of the Swiss Assets, the Issuer will not itself have the benefit of any representations and warranties but the Swiss Issuer will have the benefit of such representations and warranties provided to it by the Swiss Originator under the Swiss Asset Transfer Agreement.

If any breach of any representation or warranty relating to any of the Originated Assets is material and (if capable of remedy) is not remedied, then, in the case of the ATU Assets, the ATU Issuer may require the ATU Originator to repurchase the ATU Note and, in the case of the Swiss Assets, the Swiss Issuer may require the Swiss Originator to repurchase the relevant Swiss Assets and in the case of the Dutch Assets and the Non-ATU German Assets, the Issuer or the Issuer Security Trustee may require the relevant Originator to repurchase the relevant German Assets or Dutch Loan, as the case may be. In the event of a repurchase of the ATU Note Assets, the Dutch Loan or the Non-ATU German Assets, the Issuer, will apply the purchase price paid to it in or towards repayment of the Notes (such amounts being included in the Principal Distribution Amount on the Determination Date following the end of the Interest Period in which such monies were received by the Issuer). In the event of a repurchase of a Swiss Asset, the Swiss Issuer, will apply the purchase price paid to it, subject to the terms of any relevant Intercreditor Deed, in or towards prepayment of the Swiss Note and the Issuer will apply the proceeds of any such prepayment, in or towards repayment of the Notes (such amounts being included in the Principal Distribution Amount on the Determination Date following the end of the Interest Period in which such monies were received by the Issuer).

The remedies for breach of any representation or warranty under the Asset Transfer Agreements described above are in addition to any other remedies that the Issuer, the Note Trustee, the Issuer Security Trustee, the ATU Issuer or the Swiss Issuer, as the case may be, may have under applicable law against the ATU Originator, the Dutch Originator, the German Originator or the Swiss Originator, as the case may be, as a consequence of a breach of warranty by any of them under the relevant Asset Transfer Agreement, to the extent contemplated in the relevant Asset Transfer Agreement.

Risks relating to Loan Concentration

In relation to any pool of loans, the effect of loan losses will be more severe if the pool is comprised of a small number of loans, each with a relatively large principal amount; or if the losses relate to loans that account for a disproportionately large percentage of the pool's aggregate principal balance. As there are only ten Loans in the Loan Pool, losses on any Loan may have a substantial adverse effect on the ability of the Issuer to make payments under the Notes.

In addition, concentrations of properties in geographic areas may increase the risk that adverse economic or other developments or a natural disaster affecting a particular region could increase the frequency and severity of losses on loans secured by such Properties.

Rights of the Operating Adviser

The Operating Adviser, on behalf of the Controlling Party, will have the right to appoint the Issuer Special Servicer, the ATU Issuer Special Servicer or the Swiss Issuer Special Servicer and to be consulted with in relation to certain actions with respect to the Loans including, among other things, in connection with any enforcement of the Loans and the Related Security, certain modifications, waivers and amendments of the Loans, the release of any security, the release of a Borrower's obligations under a Loan Agreement and actions taken on a Property with respect to environmental matters. Neither the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer nor the Swiss Issuer Special Servicer will be required to act upon any direction given by the Operating Adviser, or to refrain from taking any action because of the consultation rights of the Operating Adviser, if so acting or refraining from acting would cause it to violate the Servicing Standard. There can be no assurance, however, that any advice provided by the Operating Adviser will ultimately maximise the recoveries on the Loans. Because the Operating Adviser will represent the relevant Subordinated Lender or, in certain circumstances, a junior class of Notes, the Operating Adviser will have interests that may conflict with those of the Noteholders or the other classes of Noteholders.

For further details of the Operating Adviser's consultation rights, see ''Servicing and Intercreditor Arrangements For The Swiss Assets – Operating Adviser'' at page 192, ''Servicing and Intercreditor Arrangement For The Issuer Assets – Operating Adviser'' at page 207 and ''Servicing and Intercreditor Arrangements for the ATU Assets – Operating Advisor'' at page 223.

The Operating Adviser may act solely in the interests of the Controlling Party in respect of a Loan; the Operating Adviser does not have any duties to any person other than the Controlling Party, whomever that may be; the Operating Adviser may take actions that favour the interests of the Controlling Party over the interests of the Noteholders in general; the Operating Adviser will not

be deemed to have been negligent or reckless, or to have acted in bad faith or engaged in wilful misconduct, by reason of its having acted solely in the interests of the Controlling Party; and the Operating Adviser will have no liability whatsoever for having acted solely in the interests of the Controlling Party, and no holder of any class of Notes (other than the Controlling Class to the extent it is the Controlling Party) may take any action whatsoever against the Operating Adviser for having so acted.

Conflicts between the Issuer, the ATU Issuer, the Swiss Issuer and the Subordinated Lenders

In the case of those Loans which comprise Senior Loans, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer (in the case of the Swiss Loan) and the Issuer Servicer and the Issuer Special Servicer (in the case of the German Loans (other than the ATU Loan)) and the ATU Issuer Servicer and the ATU Issuer Special Servicer (in the case of the ATU Loan) will also be appointed to service the related Subordinated Loans in accordance with the requirements of the applicable Intercreditor Deed and the Issuer Servicing Agreement, ATU Issuer Servicing Agreement or Swiss Issuer Servicing Agreement, as the case may be. Among other things, this means that following the occurrence of an event of default in relation to any Senior Loan, the Swiss Issuer Servicer, Swiss Issuer Special Servicer, the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer or the ATU Issuer Special Servicer, as applicable, will be required to maximise recoveries on the relevant Senior Loans and related Subordinated Loans ''as a collective whole''. Consequently, the relevant servicer and special servicer may be prevented from pursuing a course of action, even if that course of action may lead to a full recovery on the Senior Loan, if it would not maximise recoveries on the Senior Loan and the Subordinated Loan as a collective whole. However, each Subordinated Lender acknowledges in the applicable Intercreditor Deed that, due to the subordinated nature of its interest under the relevant Loan Agreements, even if the relevant servicer complies with its obligation to maximise recoveries on a Senior Loan and its related Subordinated Loan or Subordinated Loans as a collective whole, that may result in the relevant Subordinated Lender or Subordinated Lenders suffering a loss in circumstances where no loss, or a smaller loss, is suffered by the Issuer.

The consent of the Subordinated Lender (or, in the case of the ATU Loan, both relevant Subordinated Lenders) must be obtained prior to the Issuer Servicer or Issuer Special Servicer (in relation to the German Loans (other than the ATU Loan) and the ATU Issuer Servicer or ATU Issuer Special Servicer (in relation to the ATU Loan) and the Swiss Issuer Servicer or the Swiss Issuer Special Servicer (in relation to the Swiss Loan) agreeing to modifications or waivers of certain terms of the relevant Loans. The views of the relevant Subordinated Lender or Subordinated Lenders in relation to any amendment, waiver or approval in respect of which its consent must be obtained may differ to those of the relevant servicer and may prevent the relevant servicer from taking action in relation to the proposed modification or waiver which it would otherwise consider appropriate to take in accordance with its contractual obligation. This will prevent the relevant modification or waiver from being undertaken.

Deutsche Bank AG, London Branch has been appointed to act as the ATU Issuer Servicer and will be appointed to act as the Issuer Servicer and Swiss Issuer Servicer. As mentioned above, in performing its duties in such capacities, Deutsche Bank AG, London Branch (or any other person acting in such capacities) must disregard its ownership or the ownership of any of its affiliates of any interest in the Subordinated Loans. Deutsche Bank AG, London Branch could also be the initial Subordinated Lender or Subordinated Lenders, although it may in due course transfer some or all of its interest in the Subordinated Loans to a third party and may provide finance to the transferee in connection with its acquisition of its interest in the Subordinated Loans.

Factors Relating to the Assets

Factors Relating to Certain Loans

Dutch Loan

The WFC Loan

The WFC Borrower acquired the WFC Properties from the WFC Affiliated Sellers. At the time of the transfer of the WFC Properties, the WFC Property Manager employed 17 employees. In order to avoid the employees transferring to the WFC Borrower with the WFC Properties, by operation of Dutch law, under the Transfer of Enterprise Act (*Wet overgang van onderneming*),

each employee, immediately prior to the execution of the transfer deeds relating to the WFC Properties (the "**WFC Transfer Deeds**") terminated its employment agreement and entered into a revised employment agreement with the WFC Property Manager, which became effective immediately after the execution of the WFC Transfer Deeds. In addition, each employee expressly waived its rights under the Transfer of Enterprise Act. No assurance can be given, however, that the employees could not, notwithstanding the various steps that have been taken, challenge the validity of the above arrangements in exceptional circumstances (for instance if an employee were to prove that it entered into the revised employment agreement under duress or error).

The WFC Affiliated Sellers entered into over 400 occupational leases in relation to the WFC Properties. Provided that these occupational leases were concluded in the name of the relevant WFC Affiliated Seller, they will have been transferred to the WFC Borrower by operation of Dutch law when the WFC Affiliated Sellers transferred the WFC Properties to the WFC Borrower. There can be no assurance, however, that all of the occupational leases relating to the WFC Properties were concluded in the name of the relevant WFC Affiliated Seller (particularly, in respect of 26 occupational leases that were concluded prior to the introduction of the WFC Affiliated Sellers' standard-form lease in 1997). The WFC Affiliated Sellers have agreed in the WFC Deeds to procure, however, that any such "defective leases" are transferred to the WFC Borrower as soon as possible after the date upon which the relevant non-transfer has been established.

The WFC Borrower, the WFC Affiliated Sellers, WFC Beursplaza B.V., Fabege International B.V., Fabege Holdings B.V., World Fashion Center International Holding N.V. and the WFC Parent form part of a fiscal unity (*fiscale eenheid*) for Dutch corporate income tax and VAT purposes. As a result, the WFC Borrower will be jointly liable for the tax debts of the other entities in its fiscal unity. The rights of the Dutch tax authorities in this respect, however, will rank behind the mortgages, bank account pledges and share pledges comprised in the Dutch Related Security for the WFC Loan (although the rights of the Dutch tax authorities will rank ahead of the pledge granted by the WFC Borrower over its movable property). To mitigate the risk of a claim by the Dutch Tax Authorities against the WFC Borrower in respect of the tax liabilities of other members of the fiscal unity, the WFC Loan Agreement contains a covenant requiring the WFC Borrower to procure that all members of the WFC Borrower's fiscal unity discharge their respective tax liabilities when due. In addition, the business activities of the other members of the WFC Borrower's fiscal unity are, as at the date of this Offering Circular, limited, in practice, to the management of the WFC Properties and related marketing activities.

A portion of the proceeds of the WFC Loan was indirectly applied, by the WFC Affiliated Sellers, to refinance certain indebtedness incurred at the time of the acquisition (the "**Original Acquisition**") of shares in the WFC Parent in May 2003. In such circumstances, there is, in principle, the possibility that the original indebtedness and, consequently, the refinancing thereof, may have been granted in circumstances that infringe Article 2:207c of the Netherlands Civil Code (the "**Financial Assistance Prohibition**").

As a result of the above, at the time of origination of the WFC Loan, the Originator obtained appropriate professional advice which considered, amongst others things, whether the granting of the Dutch Related Security under the WFC Loan Agreement could infringe the Financial Assistance Prohibition. This professional advice indicated that there were good reasons to conclude that the granting of the Dutch Related Security under the WFC Loan Agreement did not infringe the Financial Assistance Prohibition.

Having regard to this professional advice, therefore, the Originator considers that there is no material risk that the granting of the WFC Loan or the Dutch Related Security infringed the Financial Assistance Prohibition.

German Loans

The A10 Shopping Center Loan

Approximately 21.0 per cent. of the relevant German Properties constituting security for the A10 Shopping Center Loan, based on the Rental Income of those German Properties, are attributable to a single tenant (real, – SB – Warenhaus GmbH). If this tenant is unable to meet its obligations under the occupational leases, no assurance can be given that the A10 Shopping Center Borrower will not default in the performance of its obligations in respect of the A10 Shopping Center Loan.

The A10 Shopping Center Borrower was established in 1996 to acquire the A10 Shopping Center Property. At the time of origination of the A10 Shopping Center Loan, a report was prepared by an appropriately qualified professional to assess if there were any pre-existing liabilities or contingent liabilities owing by the A10 Shopping Center Borrower arising out of its historic activities. The report did not find any significant pre-existing liabilities or contingent liabilities owing by the A10 Shopping Center Borrower (other than indebtedness incurred in connection with the acquisition of the A10 Shopping Center Property which has since been refinanced by the A10 Shopping Center Loan). While every effort has been taken to ensure that the report prepared in relation to such liabilities is accurate, there can be no assurance, given that it represents the opinions of the author, that that is the case. The business activities of the A10 Shopping Center Borrower are also restricted under the A10 Shopping Center Loan Agreement to owning, managing and developing the A10 Shopping Center Property and, to that extent, the A10 Shopping Center Borrower is a limited purpose entity.

The A10 Shopping Center Borrower is a German limited partnership with one general partner, Dr. Herbert Ebertz, and over 300 limited partners. In the event that Dr. Herbert Ebertz ceases to be the general partner (for example, in case of his death or insolvency), one of the limited partners, a specified private individual, is entitled, pursuant to the A10 Shopping Center Borrower's partnership agreement, to appoint, with the consent of the advisory board of the A10 Shopping Center Borrower, a new general partner, acceptable to the German Facility Agent. If no new general partner is appointed within 2 months of the date that Dr. Ebertz ceased to be the general partner, the specified private individual will automatically become the new general partner. In the event that that specified private individual (or any other person appointed as the new general partner) ceases to be the general partner, the advisory board and the limited partners of the A10 Shopping Center Borrower would have the following options: (a) to appoint a further new general partner; (b) to convert the limited partnership into a general partnership; or (c) to commence a solvent liquidation of the A10 Shopping Center Borrower. The first option would have no negative implications on the borrowing structure, from the perspective of the lender. A conversion into a limited partnership or a solvent liquidation of the A10 Shopping Center Borrower would constitute an event of default under the A10 Shopping Center Loan Agreement. In order to mitigate the risk of a conversion into a limited partnership or a solvent liquidation occurring, the A10 Shopping Center Loan Agreement provides that a new general partner, constituted as a newly established German limited liability company (*GmbH*), shall be appointed as an additional general partner of the A10 Shopping Center Borrower within six months of the drawdown date of the A10 Shopping Center Loan. Ultimately, however, investors may be subject to a prepayment risk as a failure to appoint the additional general partner within the requisite six month period will be an event of default under the A10 Shopping Center Loan Agreement.

In addition to the above, the partnership agreement of the A10 Shopping Center Borrower provides that each limited partner may terminate its partnership interest as of the end of each calendar year by giving at least 18 months notice. In these circumstances, the partnership agreement provides that compensation shall be paid to the limited partners which cease to be partners in the A10 Shopping Center Borrower on the basis of the value of the relevant partnership interests as at the date that such limited partner ceased to be a limited partner. Such compensation shall be paid in three equal yearly instalments. The relatively long period required for a limited partner to exit their investment may de-incentivise the limited partners to do so. In the event, however, that a substantial number of limited partners leave the partnership at the same time and are not bought out by replacement limited partners, the A10 Shopping Center Borrower may be forced to sell the A10 Shopping Center Property or commence liquidation proceedings in order to fund the relevant compensation payments to the relevant limited partners. In order to mitigate this risk, the A10 Shopping Center Loan Agreement provides that if the general partner or any one or more limited partners whose shares amount to one per cent. or more but less than ten per cent. of the aggregate capital of the A10 Shopping Center Borrower, serve a notice notifying the A10 Shopping Center Borrower of the cancellation or termination of its shares in the A10 Shopping Center Borrower, all excess cash flow will be swept to the A10 Shopping Center Borrower Deposit Account on each A10 Shopping Center Loan Interest Payment Date for so long as such cash sweep event continues. In addition, it will be an event of default under the A10 Shopping Center Loan Agreement if any limited partner whose shares amount to ten per cent. or more of the aggregate capital of the A10 Shopping Center Borrower serves a notice notifying the A10 Shopping Center Borrower of the cancellation or termination of its shares in the A10 Shopping Center Borrower. The commencement of liquidation proceedings would also constitute an event of

default under the A10 Shopping Center Loan Agreement. Ultimately, therefore, investors may be subject to a prepayment risk in those circumstances. In any event, the claims of limited partners, in respect of their limited partnership interests would rank behind the claims of the Issuer in respect of the German Related Security for the A10 Shopping Center Loan.

It is a requirement of German law that leases for a specified term must be in writing. Approximately 25 per cent. of the Rental Income of the A10 Shopping Center Property relates to occupational leases which may not comply with this written form requirement. If the relevant occupational leases do not comply with this written form requirement, they will be characterised as leases which have been entered into for an indeterminate term, which would entitle the relevant tenants to terminate the relevant occupational leases at any time, subject to compliance with the relevant statutory notice periods. In order to mitigate this risk, the A10 Shopping Center Loan Agreement requires the A10 Shopping Center Borrower to rectify any such non-compliance with the written form requirement within one year (or in the case of one tenant, 18 months) of the drawdown date of the A10 Shopping Center Loan, failure to comply with which will be an event of default. In addition, none of these occupational leases account for more than 4.5% of the Rental Income of the A10 Shopping Center Property.

The ATU Loan

The ATU Properties are all substantially let to two tenants, A.T.U. Auto-Teile-Unger GmbH & Co. KG and A.T.U. Auto-Teile-Unger Handels GmbH & Co. KG (together, "**ATU**"). The main occupational tenant of the retail properties is A.T.U. Auto-Teile-Unger GmbH & Co. KG and the main occupational tenant for the offices is A.T.U. Auto-Teile-Unger Handels GmbH & Co. KG. ATU contributes 98% of the Rental Income currently generated by the ATU Properties. Accordingly, if ATU is, for whatever reason, unwilling or unable to meet its obligations under the occupational leases relating to the ATU Properties, no assurance can be given that the ATU Borrower will not default in the performance of its obligations in respect of the ATU Loan.

While there are 273 ATU Properties in aggregate, 268 of these are in the nature of motor vehicle service centres, this being the business in which ATU is engaged, the remaining ATU Properties being used for office or logistic purposes. Accordingly, in the event that any of the service centre properties have to be re-let to another tenant they may require re-fitting or re-configuration unless the tenant is engaged in the same or similar business to ATU and can utilise these properties in their existing form. There can be no assurances as to how any associated costs will be met by the ATU Borrower.

Due to the ATU Properties being located throughout Germany and the property-by-property basis on which the registration of the ATU Borrower as owner of the ATU Properties is required to take place, the ATU Properties were not all transferred to the ATU Borrower prior to the drawdown of funds under the ATU Loan Agreement. As at the date of this Offering Circular, however, priority notices have been perfected over 248 of the 273 ATU Properties. The purpose of a priority notice, as a matter of German law, is to preserve the priority of a purchaser of a property pending the transfer of title to the property to the purchaser. The priority notices ensure that the ATU Borrower will be registered as owner of the relevant ATU Properties to which the priority notices relate when the purchase price of the relevant ATU Properties are paid. As the ATU Properties have not in all cases yet been transferred to the ATU Borrower, the ATU Borrower has not been able to create mortgages over all of the ATU Properties. In order to set up an appropriate mechanism to protect the lender, pending perfection of all mortgages and registration of the priority notices in the relevant land registries, an escrow arrangement (the "**ATU Escrow Arrangement**") was put in place under the terms of the ATU Loan Agreement pursuant to which, pending transfer of title of the ATU Properties, the drawdown proceeds of the ATU Loan were held in escrow in an account pledged in favour of the German Security Trustee. Upon termination of the ATU Escrow Arrangement on 20th January 2006, the remaining escrowed funds not applied to purchase ATU Properties (the "**ATU Acquisition Reserve**") were transferred to a reserve account pledged in favour of the German Security Trustee. The ATU Acquisition Reserve may be used to purchase any ATU Property providing such purchase completes on or before 20th July 2006. Any remaining portion of the ATU Acquisition Reserve will be applied, on 20th July 2006, to prepay amounts outstanding under the ATU Loan Agreement. Accordingly, certain prepayments may occur in respect of the ATU Loan as a consequence of how the ATU Escrow Arrangement is structured. For further information about the ATU Escrow Arrangement, see "The Loans and Related Security – The ATU Loan" at page 105.

There is a reallocation process pending in respect of one of the ATU Properties (the property located at Bad Salzungen). The value of the relevant ATU Property is approximately €770,000. A reallocation process is an investigation, by the competent public authority, regarding a change of boundaries or consolidation of plots. In general, reallocation processes tend to result in relatively minor changes or consolidations, if any, to the boundaries of the relevant plot. In the event, that the reallocation process results in the ATU Borrower losing part or all of the relevant Property, the ATU Borrower would be entitled to receive compensation for its loss.

19 of the ATU Properties (the "**ATU HBR Properties**"), with an aggregate value of €41,040,000, are held under hereditary building rights. As at the date of this Offering Circular, the consent of all of the relevant landowners has been obtained to the transfer of the ATU HBR Properties to the ATU Borrower and the creation of the mortgages by the ATU Borrower over the ATU HBR Properties.

The current annual ground rent payable by the ATU Borrower to the relevant landowners in respect of the ATU HBR Properties is, in aggregate, €954,551. The rights of the relevant landowners to receive these ground rents take priority over the mortgages over the ATU HBR Properties.

For further information about the nature of hereditary building rights under German law, see "Certain Matters of German Law – Hereditary Building Rights" at page 304.

The GWK Loan

The GWK Borrower was established in the 1930's as a social housing provider by, among others, various municipal authorities. The GWK Borrower has a trading history from the time it was established, and, at the date of this Offering Circular, also has nine employees (1 authorised representative (*Prokurist*), 2 engineers and 6 office and caretaker staff). Given its trading history, at the time of origination of the GWK Loan, a report was prepared by an appropriately qualified professional to assess if there were any pre-existing liabilities or contingent liabilities owing by the GWK Borrower as a consequence of its historic operations. Apart from a potential trade tax liability of between €15,000 and €20,000 and a potential withholding tax liability of €32,000, the report did not find any significant pre-existing liabilities or contingent liabilities owing by the GWK Borrower. The report also confirmed that all pension liabilities for all nine employees were fully reserved for as of 31st December 2004. Additionally, the GWK Loan contains various structural features which are intended to incentivise the GWK Borrower to continue to reserve fully for all pension liabilities on an ongoing basis. While every effort has been taken to ensure that the report prepared in relation to such liabilities is accurate, there can be no assurance, given that it represents the opinions of the author, that that is the case.

In addition to the GWK Properties, the GWK Borrower also owns and manages a portfolio of other properties (the "**GWK Additional Properties**"). The activities of the GWK Borrower are, therefore, not limited to owning and managing the GWK Properties and, consequently, the GWK Borrower is not a limited purpose company. No assurance can be given that the GWK Borrower will not incur additional liabilities in respect of its ownership and management of the GWK Additional Properties. In order to mitigate this risk, however, the GWK Borrower has undertaken, in the GWK Loan Agreement, not to incur any financial indebtedness other than financial indebtedness permitted under the GWK Loan Agreement. A further consequence of the GWK Borrower not being a limited purpose entity is that the security package for the GWK Loan does not include security over the shares in the GWK Borrower or security over the GWK Additional Properties.

The GWK Borrower currently has certain additional, unsubordinated indebtedness outstanding to two third party creditors under three loans (together, the "**GWK Subsidised Loans**"). According to the GWK Loan Agreement, the aggregate amount outstanding under these facilities as at 30th January 2006 was approximately €157,894. The GWK Borrower has also, in respect of each such facility, granted a mortgage over the two GWK Properties relating to such facility, to secure the amounts outstanding under the relevant facility. In respect of these two GWK Properties, therefore, the Issuer will not benefit from first-ranking mortgages until the relevant existing facilities are discharged. Under the GWK Loan Agreement, net rental income paid into the GWK Borrower Rent Account will be applied first to repay these two existing facilities and so such amounts have priority over the GWK Loan.

The majority shareholder of the GWK Borrower (the "**GWK Majority Shareholder**") is subject to a number of social obligations in respect of the GWK Borrower including: (a) to procure that the

GWK Borrower invests, each year until 31st December 2009, at least 12 euro per square meter per year in the maintenance of the properties owned by the GWK Borrower; (b) to procure that the GWK Borrower maintains its legal and tax seat (*rechtlicher und steuerlicher Sitz*) and its centre of administration (*Verwaltungssitz*) in Braunschweig; and (c) to procure that the GWK Borrower does not dismiss any of its employees for operational reasons. These obligations are contained in the sale and transfer agreement (the "**GWK Borrower Sale and Transfer Agreement**") dated 10/20 December 2002 between the GWK Majority Shareholder and the relevant previous shareholders. In the event that the GWK Majority Shareholder fails to comply with any of these obligations, it will be required to pay contractual damages, in the event of a breach of (a) above, in an amount equal to double the amount required to perform the relevant maintenance, in the event of a breach of (b) above, in an amount of €1,000,000 and, in the event of a breach of (c) above, in an amount of €100,000 per employee affected by such dismissal. In the event that the GWK Majority Shareholder is required to pay any such contractual damages under the GWK Borrower Sale and Transfer Agreement, there can be no assurance that the GWK Majority Shareholder will not claim against the GWK Borrower in respect of such amounts. As a result, any breach by the GWK Majority Shareholder of the above obligations will also constitute an event of default under the GWK Loan Agreement (unless, in the case of (b) or (c) above, the GWK Borrower has paid an amount into the GWK Borrower Deposit Account equal to the GWK Majority Shareholder's liability to pay the relevant contractual damages for the relevant breach).

In the event of an insolvency of the GWK Borrower, the claims of its employees arising after the commencement of insolvency in respect of their salary would have priority (*Masseverbindlichkeit*) over ordinary claims of unsecured creditors of the GWK Borrower whose claims have arisen prior to commencement of insolvency.

The Jargonnant Loan

The Jargonnant Borrower has recently entered into a mandate to refinance the Jargonnant Loan. It is expected, therefore, that the Jargonnant Loan will be prepaid in whole in due course and that corresponding prepayments will be made by the Issuer in respect of the Notes.

The Jargonnant Borrower purchased certain of the Jargonnant Properties (the "**Mendelssohn Properties**") from an insolvency administrator appointed in respect of the assets of previous owner of the Mendelssohn Properties. As a result, the purchase agreement relating to the Mendelssohn Properties expressly excluded, to a large extent, any warranty claims (*Gewährleistungsansprüche*) of the Jargonnant Borrower in relation to the Mendelssohn Properties. In the event that any undisclosed defects of the Mendelssohn Properties become apparent, therefore, the Jargonnant Borrower will generally have no claim against the relevant seller in its capacity as insolvency administrator of the assets of the previous owner of the Mendelssohn Properties (except in the case of wilful misconduct or gross negligence of the seller). To mitigate this risk, the German Originator commissioned appropriately qualified specialists to conduct technical and environmental surveys in respect of the relevant Jargonnant Properties at the time the Jargonnant Loan was originated, in addition to the usual due diligence typically undertaken by it. The environmental survey quantified the environmental risk as low/medium but recommended no further action unless the Jargonnant Properties are substantially redeveloped in a manner that would affect the ground under the Jargonnant Properties. The technical survey results indicated that remedial costs of €1,050,000 would arise in the short to medium term. The German Originator, therefore, required 125 per cent. of this amount to be reserved from the proceeds of drawdown of the Jargonnant Loan, at the time of origination of the Jargonnant Loan, as a deferred maintenance reserve, and paid into a designated bank account controlled by the German Security Trustee. The deferred maintenance reserve will be released to the Jargonnant Borrower as and when the relevant deferred maintenance reserve is completed.

The Jargonannt Properties were constructed between 1876 and 1980 with the average year of construction being 1948. 33% of the Jargonnant Properties are older than 80 years old. The remediation cost indicated above reflect, among other things, the age of the Jargonnant Properties. There can be no assurances, however, that there will be no additional remediation costs as a result of the age of the portfolio and the variable construction quality of the portfolio.

The Karstadt Kompakt Loan

100 per cent. of the relevant German Properties constituting security for the Karstadt Kompakt Loan, based on the Rental Income of those German Properties, are attributable to a single tenant (Karstadt Kompakt GmbH). If this tenant ceases to meet its obligations under the

occupational leases, no assurance can be given that the Karstadt Kompakt Borrowers will not default in the performance of their obligations in respect of the Karstadt Kompakt Loan.

Seven of the Karstadt Kompakt Properties (the "**Karstadt Kompakt HBR Properties**"), with an aggregate value of €40,046,976, are held under hereditary building rights. As at the date of this Offering Circular, the consent of the relevant landowners has not yet been obtained to the transfer of the Karstadt Kompakt HBR Properties to the relevant Karstadt Kompakt Borrowers and the creation of the mortgages by the relevant Karstadt Kompakt Borrowers over the Karstadt Kompakt HBR Properties. The deadline for the Karstadt Kompakt Borrowers to obtain such consent is 20th April 2006. If, on 20th April 2006, completion in relation to one or more of the Karstadt Kompakt HBR Properties has not occurred, the German Security Trustee shall apply the funds standing to the credit of the Karstadt Kompakt Reserve Account equal to the aggregate of the cash collateral loan amounts for those Karstadt Kompakt HBR Properties that have not completed by such date in or towards the prepayment of the Karstadt Kompakt Loan.

The current annual ground rent payable by the relevant Karstadt Kompakt Borrowers to the relevant landowners in respect of the Karstadt Kompakt HBR Properties is, in aggregate, €996,309. The rights of the relevant landowners to receive these ground rents take priority over the mortgages over the relevant Karstadt Kompakt HBR Properties.

For further information about the nature of hereditary building rights under German law, see "Certain Matters of German Law – Hereditary Building Rights" at page 304.

The Procom Loan

Approximately 43.3 per cent. of the relevant German Properties constituting security for the Procom Loan, based on the Rental Income of those German Properties, are attributable to a single tenant (Allkauf Vermietungs- und Verwaltungsgesellschaft & Co.KG). Furthermore, this tenant has sub-let these German Properties to one of its affilliates (real, – SB – Warenhaus GmbH). If this tenant ceases to meet its obligations under the occupational leases (or if this sub-tenant ceases to meet its obligations under the occupational sub-leases or terminates the sub-leases), no assurance can be given that the Procom Borrowers will not default in the performance of their obligations in respect of the Procom Loan.

Each of the Procom Borrowers was established as a German limited partnership, with its centre of administration (*tatsächlicher Verwaltungssitz*) in Germany. The centre of administration is the place where management decisions of an entity are taken. The Procom Borrowers have, as a matter of fact, moved their centres of administration to Luxembourg. The consequence of a German limited partnership moving its centre of administration outside of Germany is that, as a matter of German law, the limited partnership will be in a state of dissolution (*Auflösung*). There is a view that this rule of German law may be inconsistent with the principle of freedom of establishment of companies under European law. In the absence of any clear case law on this point, however, there remains a risk that, as a result of moving their centres of administration outside Germany, the Procom Borrowers are in a state of dissolution (*Auflösung*).

If the Procom Borrowers are in a state of dissolution (*Auflösung*), they will continue to exist as limited partnerships and will continue to be bound by and benefit from their contractual obligations and rights respectively. However, the partners (the "**Procom Partners**") of the Procom Borrowers will be obliged, under general rules of German partnership law, to terminate the business of the Procom Borrowers and liquidate (or otherwise wind-up) the Procom Borrowers. The Procom Borrowers will continue to be under an obligation to repay the Procom Loan and to pay interest thereon as contemplated in the Procom Loan Agreement, all in the course of the liquidation of the Procom Borrowers. A solvent liquidation of the Procom Borrowers as a result of the relocation of their centres of administration will not constitute an event of default under the Procom Loan Agreement.

In order to ensure that there remain validly existing borrowers, the following structural features have been put in place in relation to the Procom Loan. The partnership agreement of each of the Procom Borrowers provides that the relocation of the centre of administration of the Procom Borrowers outside of Germany will not lead to the liquidation of the limited partnerships and that the relevant Procom Partners will take all necessary steps to safeguard the existence of the Procom Borrowers and the continuation of their business. Each of the Procom Partners is required to pass a resolution (together, the "**Procom Partners' Resolutions**") for each of the Procom Partners confirming, among other things, that in the event that any tax, administrative or other relevant authorities force the Procom Borrowers to actively pursue the liquidation of the limited

partnerships and such liquidation causes any material prejudice to the Procom Borrowers or any lenders of the Procom Borrowers, the Procom Partners will ensure that the Procom Borrowers continue to exist as operating entities in Germany (or, with the consent of the lenders, Luxembourg). The Procom Borrowers have also agreed to give written undertakings (together the "**Procom Borrowers' Undertakings**") to the German Originator that they will, among other things, act in accordance with the Procom Partners Resolutions and that they will not amend or terminate the Procom Partners' Resolutions without the prior written consent of the German Originator (who will assign its rights under the above Procom Borrowers' Undertakings to the Issuer). Consequently, if the Procom Partners are required to take steps to actively liquidate the Procom Borrowers as a result of the relocation of the Procom Borrowers centres of administration to Luxembourg, the Issuer will be able to require the Procom Borrowers to move their centres of administration back to Germany or other relevant jurisdiction to avoid active liquidation measures. Any breach of the terms of the Procom Borrowers' Undertakings by the Procom Borrowers will constitute, subject to the expiry of the relevant grace period, an event of default under the Procom Loan Agreement, allowing enforcement action to be taken in accordance with the terms of the Procom Loan Agreement, allowing the Issuer to take appropriate enforcement action. The Procom Borrowers' Undertakings are designed to bring about the continuity of the Procom Loan by ensuring that there are validly existing Procom Borrowers. Ultimately, however, if the Procom Borrowers do not comply with a direction by the Issuer to move their centres of administration back to Germany or other relevant jurisdiction when so required under the Procom Borrowers' Undertakings, investors will be subject to prepayment risk in respect of the Procom Loan since there will be an event of default arising thereunder.

At the time of origination of the Procom Loan, legal advice was obtained that the dissolution of the Procom Borrowers would not give rise to any termination rights of the tenants under the occupational leases entered into by the Procom Borrowers in respect of the Procom Properties. To this extent, therefore, the Procom Borrowers should continue to be able to operate their business even if they are in a state of dissolution. The fact of the Procom Borrowers being in a state of dissolution would also not prevent the Issuer from enforcing its rights under the Procom Loan Agreement and related German Related Security and the relevant German Related Security remains effective notwithstanding any dissolution of the Procom Borrowers.

One of the Procom Properties (the "**Procom HBR Property**"), with a value of €32,900,000, is held under a hereditary building right. As at the date of this Offering Circular, the consent of the relevant landowner has been obtained to the transfer of the Procom HBR Property to the relevant Procom Borrower and the creation of the mortgages by the relevant Procom Borrower over the Procom HBR Property. The hereditary building right has also been registered at the relevant land registry.

The current annual ground rent payable by the relevant Procom Borrower to the relevant landowner in respect of the Procom HBR Property is €63,088. The rights of the relevant landowner to receive this ground rent takes priority over the mortgage over the Procom HBR Property.

For further information about the nature of hereditary building rights under German law, see "Certain Matters of German Law – Hereditary Building Rights" at page 304.

The Schmeing Loan

Approximately 46.1 per cent. of the relevant German Properties constituting security for the Schmeing Loan, based on the Rental Income of those German Properties, are attributable to a single tenant (ALDI, which concluded the lease agreements through Immobilien-Verwaltung Theo Albrecht, Cily Albrecht u.a., BGB-Gesellschaft in respect of one of the Lyran Properties and through ALDI Immobilienverwaltung GmbH & Co. KG in respect of the Borken Property and the other Lyran Property). If this tenant ceases to meet its obligations under the occupational leases, no assurance can be given that the Schmeing Borrowers will not default in the performance of their obligations in respect of the Schmeing Loan.

One of the German Borrowers in respect of the Schmeing Loan (the Borken Borrower) was established in 1969. At the time of origination of the Schmeing Loan, a report was prepared by an appropriately qualified professional to assess if there were any pre-existing liabilities or contingent liabilities owing by the Borken Borrower arising out of its historic activities. The report did not find any significant pre-existing liabilities or contingent liabilities owing by the Borken Borrower. While every effort has been taken to ensure that the report prepared in relation to such liabilities is accurate, there can be no assurance, given that it represents the opinions of the author, that that

is the case. The business activities of the relevant Borken Borrower are also restricted under the Schmeing Loan Agreement to owning, financing, holding and managing the relevant German Properties and, to that extent, the Borken Borrower has, as a result of entering into the Schmeing Loan Agreement, become a limited purpose entity.

94% of the shares in the Borken Borrower have been pledged to the German Security Trustee. The remaining 6% are owned by a third party (the "**Borken Minority Shareholder**") and have not been pledged to the German Security Trustee. Under German law, the 6% shareholding of the Borken Minority Shareholder gives it a statutory right to challenge shareholder resolutions of the Borken Borrower. This could effect the ability of the German Security Trustee to pass shareholder resolutions upon any exercise of its voting rights under its pledge over the majority shareholding in the Borken Borrower. Generally, a minority shareholder, however, may only challenge shareholder resolutions which infringe statutory laws or the relevant company's articles of association. The Borken Minority Shareholder will also not be able to challenge any enforcement of any of the other German Related Security granted in respect of the Schmeing Loan (including, most significantly, enforcement of the mortgages over the relevant German Properties).

The Tiago Loan

Approximately 89.8 per cent. of the relevant German Properties constituting security for the Tiago Loan, based on the Rental Income of those German Properties, are attributable to three tenants (Deutsche Bahn (44.4 per cent.), PricewaterhouseCoopers (27.9 per cent.) and Hochtief Construction AG (17.5 per cent.)). If any one of these tenants ceases to meet its obligations under the occupational leases, no assurance can be given that the Tiago Borrower will not default in the performance of its obligations in respect of the Tiago Loan.

Excessive Security

Pursuant to certain rules of German law, security which is excessive as at the closing date of the German Loans (*anfängliche Übersicherung*) will result in the relevant security arrangement being void. In the event of subsequent excessive security (*nachträgliche Übersicherung*), any portion of the collateral considered to be excessive would have to be released from the security. Pursuant to the relevant court precedents, the liquidation value that can be expected to be realised in insolvency proceedings against the provider of the security would be relevant in determining if excessive security exists. No assurance can be given as to how a competent court would view the security structure of the German Loans, in particular with regard to the German Related Security provided for in respect of the obligations of each Borrower under its related German Loan Agreement. The security granted pursuant to the German Loan Agreements should not be deemed to be excessive because the security has been sized according to the value of the relevant German Loan, plus interest as well as anticipated costs and fees (including, among other things, anticipated enforcement costs), which is in line with commercial lending practices and is based on expected foreclosure proceeds; however, no assurance can be given that the German Related Security will not be found to be excessive under the applicable rules of German law.

Swiss Loan

The Coop Loan

Approximately 84.2 per cent. of the Swiss Properties constituting security for the Coop Loan, based on the Rental Income of the Swiss Properties, is leased to a single tenant (Coop, which concluded the lease agreements through Coop Immobilien AG and Coop Basel). If this tenant ceases to meet its obligations under the occupational leases, no assurance can be given that the Coop Borrower will not default in the performance of its obligations in respect of the Coop Loan.

An environmental survey of the Swiss Properties relating to the Coop Loan was conducted by an appropriately qualified specialist at the time the Coop Loan was originated. The survey results indicated that two of the Swiss Properties (the "**Gelterkinden Property**" and the "**Delemont Property**") may have some level of environmental contamination. As a result, the survey recommended that a soil analysis be undertaken in respect of these two Swiss Properties. In order to mitigate the potential environmental risks, the Coop Loan Agreement required the Coop Borrower to instruct an appropriately qualified specialist to carry out an environmental analysis in respect of the Gelterkinden Properties and the Delemont Properties and deliver an environmental remediation report, addressed to the Swiss Facility Agent, quantifying the maximum remediation costs in respect of any environmental contamination at the relevant Swiss Properties. The Coop Borrower has delivered the environmental remediation report in respect of the Gelterkinden

Property, which report concludes that no further investigations or remedial measures are necessary. The Coop Borrower has also delivered the environmental remediation report in respect of the Delemont Property, which report concludes that, due to the presence of certain contaminants in the soil and groundwater, further investigative work and ''pump and treat'' remedial work are necessary. The environmental remediation report estimates that the maximum total clean-up cost will be approximately €1,060,000. The Coop Loan Agreement requires the Coop Borrower to complete the relevant remediation works specified in the environmental remediation report within 2 years of the drawdown date of the Coop Loan. Any failure by Coop Borrower to comply with these steps relating to environmental remediation will, under the Coop Loan Agreement, result in all excess cash flow being swept into a designated bank account for so long as failure to undertake such environmental remediation is continuing.

The Swiss Properties relating to the Coop Loan are located in 13 different Swiss cantons that apply different real estate capital gain tax systems. In some of the Cantons involved, there exist legal liens for real estate capital gain taxes that are not paid by the relevant seller (who bears the primary liability for such tax). Such legal liens would rank ahead of any mortgage. If the seller of the Swiss Properties were unable to pay the full amount of any capital gains tax due in respect of the sale of such Swiss Properties to the Coop Borrower, under applicable Swiss law, the relevant cantons would be entitled to place a lien over the relevant Swiss Properties in the amount of the unpaid capital gains tax. Any such lien would rank ahead of the security granted over the relevant Swiss Properties by the Coop Borrower in favour of the Issuer.

In the past, in a number of real estate sales, the seller of the Swiss Properties was able to avoid fully or partly the imposition of local real estate gain taxes by re-investing sales proceeds into the acquisition of new real estate properties (so-called tax neutral replacement investments). It is conceivable that, with respect to some of the real estate properties sold, such tax neutral replacement investments will also occur. This would result in a further reduction of the estimated total real estate capital gain tax burden.

The Coop Loan required the creation of certain additional mortgage notes in bearer form (*Inhaberschuldbriefe)* in an aggregate amount of approximately CHF 100,000,000. Registration in the competent land registry (journal) has occurred in respect of all such additional mortgage notes. The physical delivery of such additional mortgage notes, however, has not yet occurred in all cases as this is reliant upon the local land registries in the applicable Cantons. As at the date of this Offering Circular, the physical delivery of mortgage notes in an aggregate amount of CHF 19,039,860 has not yet taken place. The notaries and escrow agents appointed in relation to the Coop Loan have undertaken to physically deliver these mortgage notes, immediately upon receipt, directly to the Originator's Swiss legal counsel (as agent of the Originator or of any subsequent lender). The physical delivery of the outstanding mortgage notes is, therefore, generally expected to occur within a matter of weeks. No assurance can be given, however, that such physical delivery will, in fact, occur within this timeframe or at all. In order to mitigate this risk, if the physical delivery of all mortgage notes has not been completed by 20th April 2006, all excess cash flow will be swept into a designated bank account for so long as the physical delivery of any mortgage notes is outstanding.

Certain Swiss scholars and an old Swiss supreme court precedent claim that, in respect of mortgage notes in bearer form (*Inhaberschuldbriefe*), a lender only obtains a perfected mortgage security upon physical delivery of the relevant mortgage note. The predominant view of Swiss scholars, however, is that a mortgage security is validly created and existing upon registration of the relevant mortgage in the competent land registry. In the context of the Coop Loan, therefore, the lender has taken all reasonable steps to obtain a perfected mortgage security in accordance with current banking practice in Switzerland.

Insolvency of the ATU Issuer

The ATU Issuer may be subject to insolvency proceedings in Ireland, in the same way as any other Irish corporate entity. However, the ATU Issuer has been established solely for the purposes of acquiring the ATU Loan and issuing the ATU Notes and its activities are accordingly restricted. These limitations mitigate the possibility of it becoming subject to an insolvency proceeding, though this possibility cannot be excluded. Further, the creditors of the ATU Issuer who are party to transaction documents, which include the ATU Subordinated Notes, are subject to limited recourse, subordination and non-petition covenants which are intended to minimise the risk of the ATU Issuer becoming subject to an insolvency process.

Insolvency of the Swiss Issuer

The Swiss Issuer may be subject to insolvency proceedings in Switzerland, in the same way as any other Swiss corporate entity. The obligations of the Swiss Issuer in respect of the Swiss Note are unsecured and to that extent, in the event that the Swiss Issuer did become subject to such proceedings, the Issuer, as the holder of the Swiss Note, would have no more favourable a position than any other of the Swiss Issuer's unsecured creditors. The Swiss Issuer will have a number of other creditors, including the holders of the Swiss Subordinated Note.

However, the Swiss Issuer has been established solely for the purpose of issuing the Swiss Note and the Swiss Subordinated Note and its activities are accordingly restricted. These limitations mitigate the possibility of it becoming subject to an insolvency proceeding, though this possibility cannot be excluded. Further, the creditors of the Swiss Issuer who are party to transaction documents, which include the Swiss Subordinated Note, are subject to limited recourse, subordination and non-petition covenants, all of which are enforceable, in the view of Swiss counsel, under Swiss law and which are intended to minimise the risk of the Swiss Issuer becoming subject to an insolvency process.

Factors Relating to the Notes

Insolvency of the Issuer

The Issuer is structured to be an insolvency-remote vehicle. Each of the Transaction Documents to which the Issuer is party are subject to limited recourse provisions and non-petition covenants in favour of the Issuer. The Issuer has granted security over all of its assets pursuant to the Issuer Security Documents. Reliance is therefore placed on the mortgages, pledges, assignments and other fixed security interests granted by the Issuer under all of the Issuer Security Documents and the insolvency-remote nature of the Issuer for repayment of amounts owing to creditors thereof.

Notwithstanding the foregoing, there is always a risk that the Issuer could become subject to insolvency proceedings; the Issuer is insolvency-remote, not insolvency-proof.

Examiners, Preferred Creditors under Irish law and Floating Charges

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interest, for the purposes of any collective proceedings under Council Regulation EC No. 1346/2000 (the European Union Insolvency Regulation), is in Ireland and consequently it is likely that any insolvency proceedings applicable to it would be governed by Irish law.

An examiner may be appointed to an Irish company in circumstances where it is unable, or likely to be unable, to pay its debts. One of the effects of such an appointment is that during the period of appointment, there is a prohibition on the taking of enforcement action by any creditors of the company.

In an insolvency of the Issuer, the claims of certain preferential creditors (including the Irish Revenue Commissioners for certain unpaid taxes) will rank in priority to claims of unsecured creditors and claims secured by floating charges. In addition, the claims of creditors holding fixed charges may rank behind other ''super'' preferential creditors (including expenses of any examiner appointed and certain capital gains tax liabilities). Holders of fixed charges over book debts may be required by the Irish Revenue Commissioners to pay amounts received by the holder in settlement of the Issuer's tax liability.

In certain circumstances, a charge which purports to be taken as a fixed charge may take effect as a floating charge. Under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid.

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

Prepayment Risk

A high prepayment rate in respect of the Loans, and/or the prepayment of one or more of the larger Loans by principal balance, will result in a reduction in interest receipts in respect of the Loans and, more particularly, could reduce the weighted average coupon earned on the Loan Pool which may result in a shortfall in the monies available to be applied by the Issuer in making payments of interest on the Notes. The prepayment risk will, in particular, be borne by the holders of the most junior Classes of Notes then outstanding.

For further information about yield, prepayment and maturity consideration, see ''Yield, Prepayment and Maturity Considerations'' at page 239.

Interest Payments on the Class H Notes

If, on any Distribution Date, there are insufficient Available Funds, when added to the amount of any Liquidity Drawing in respect of such Distribution Date, to pay in full interest on the Class H Notes and where such insufficiency arises because of a reduction in the principal balances of the Loans as a result of repayments or prepayments of the Loans such unpaid interest will not be paid on such Distribution Date or on any future Distribution Date or at any time until the Final Maturity Date of the Notes.

Prepayment and Yield

If any Notes of any class are purchased at a premium, and if payments and other collections of principal on the Loans occur at a rate faster than anticipated at the time of the purchase, then the actual yield to maturity on that class of Notes may be lower than the yield assumed at the time of the purchase. If any Notes of any class are purchased at a discount, and if payments and other collections of principal on the Loans occur at a rate slower than that anticipated at the time of the purchase, then the actual yield to maturity on that class of Notes may be lower than assumed at the time of the purchase. The investment performance of any Note may vary materially and adversely from expectations due to the rate of payments and other collections of principal on the Loans being faster or slower than anticipated. Accordingly, the actual yield may not be equal to the yield anticipated at the time the Note was purchased, and the expected total return on investment may not be realised.

For further information about yield, prepayment and maturity see ''Yield, Prepayment and Maturity Considerations'' at page 239.

Liability under the Notes

The Notes and interest thereon will not be obligations or responsibilities of any person other than the Issuer. In particular, the Notes will not be obligations or responsibilities of, or be guaranteed by Deutsche Bank AG, London Branch or any affiliate of Deutsche Bank AG, London Branch, or of or by the Managers, the Originator, the Issuer Related Parties, the ATU Issuer, the ATU Issuer Related Parties, the Swiss Issuer, the Swiss Security Agent, the Dutch Security Trustee, the German Security Trustee, the Swiss Issuer Related Parties or any of their respective affiliates, and none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

Principal Losses

The ability of the Issuer to repay principal of the Notes is ultimately based upon the Borrowers generating Refinancing Proceeds or Disposal Proceeds in respect of the relevant Properties. Certain of the factors which could adversely affect the generation of Refinancing Proceeds or Disposal Proceeds have been described above.

Limited Recourse

On enforcement of the security for the Notes, the Issuer Security Trustee, the Note Trustee and the Noteholders will only have recourse to the Issuer Assets. In the event that the proceeds of such enforcement are insufficient (after payment of all other claims ranking higher in priority to or *pari passu* with amounts due under the Notes), then the Issuer's obligation to pay such amounts will cease and the Noteholders will have no further claim against the Issuer in respect of such unpaid amounts. Enforcement of the Issuer Security is the only remedy available for the purpose of recovering amounts owed in respect of the Notes.

The Issuer, the Issuer Security Trustee and the Note Trustee will have no recourse to the Dutch Originator or the German Originator save in respect of certain representations and warranties given by the Originator in the relevant Asset Transfer Agreements in connection with the sale of the relevant Loans and the ATU Note. The Issuer will have no recourse to the ATU Originator, save in respect of certain representations and warranties given by the ATU Originator in the ATU Note Sale Agreement in connection with the sale of the ATU Note. The Swiss Issuer will have no recourse to the Swiss Originator, save in respect of certain representations and warranties given by the Swiss Originator in the Swiss Asset Transfer Agreement in connection with the sale of the Swiss Loan.

For further information about the representation and warrants, see ''Sale of Originated Assets – Representations and Warranties'' at page 153.

Rights Available to Holders of Notes of Different Classes

In performing its duties as trustee for the Noteholders, the Note Trustee will not be entitled to consider solely the interests of the holders of the most senior class of Notes then outstanding but will need to have regard to the interests of all of the Noteholders. Where, however, there is a conflict between the interests of the holders of one class of Notes and the holders of another class

of Notes, the Note Trustee will be required to have regard only to the interests of the holders of the most senior class of Notes then outstanding.

The Class X Notes will not have all of the rights of the other Notes. The Class X Notes will not receive regular repayments of principal, will not have any voting rights, will not be permitted to vote on any Extraordinary Resolutions or other resolutions and cannot become the Controlling Class. In addition the Class X Noteholders will not be able to direct an enforcement of the Issuer Security by the Issuer Security Trustee.

In performing its duties as trustee for the Issuer Secured Creditors, the Issuer Security Trustee will take its instructions from the Note Trustee, for so long as any Notes are outstanding, and will not be required to take into account the interests of any other Issuer Secured Creditor, except as otherwise expressly provided in the Deed of Charge and Assignment.

Ratings of Notes and Confirmations of Ratings

The ratings assigned to the Notes by the Rating Agencies are based on the Originated Assets, the Issuer Assets, the Properties, and other relevant structural features of the transaction, including, among other things, the short term unsecured, unguaranteed and unsubordinated debt ratings of the Liquidity Facility Provider and the Swap Provider, and reflect only the views of the Rating Agencies. The ratings assigned by Moody's address the expected loss in proportion to the initial principal amount of each class of Notes posed to any Noteholder by the Final Maturity Date. The ratings assigned by Fitch and S&P address the likelihood of full and timely receipt by any Noteholder of interest on the Notes and the likelihood of ultimate receipt by any Noteholder of principal on the Notes by the Final Maturity Date in accordance with the terms of the Transaction Documents. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

Agencies other than the Rating Agencies could seek to rate the Notes and if such ''unsolicited ratings'' are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any references to ''ratings'' or ''rating'' in this Offering Circular are to ratings assigned by the specified Rating Agencies only.

The Rating Agencies will be notified of the exercise of certain discretions by or at the direction of the Issuer Servicer, ATU Issuer Servicer or Swiss Issuer Servicer, such as amendments to and waivers of Loan documentation and certain discretions of which the Issuer Security Trustee is given notice prior to their exercise. However, the Rating Agencies are under no obligation to revert to the Issuer Servicer, ATU Issuer Servicer or Swiss Issuer Servicer regarding the impact of the exercise of such discretion on the ratings of the Notes and any decision as to whether or not to confirm, downgrade, withdraw or qualify the ratings of all classes or any class of Notes based on such notification may be made at the sole discretion of the Rating Agencies at any time, including after the exercise of the discretion.

For further information regarding the basis on which discretions are issued by, or at the discretion of, the Issuer Servicer, see ''Servicing and Intercreditor Arrangements for Issuer Assets'' at page 205. For further information regarding the basis on which discretions are issued by, or at the discretion of, the ATU Issuer Servicer, see ''Servicing and Intercreditor Arrangements for the ATU Assets'' at page 221. For further information regarding the basis on which discretions are issued by, or at the discretion of, the Swiss Issuer Servicer, see ''Servicing and Intercreditor Arrangements for Swiss Issuer Assets'' at page 190.

Absence of Secondary Market; Limited Liquidity

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market. There can be no assurance that a secondary market in the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment, or that it will continue for the life of the Notes. In addition, the market value of certain of the Notes may fluctuate with changes in prevailing rates of interest. Consequently, any sale of Notes by Noteholders in any secondary market which may develop may be at a discount to the original purchase price of those Notes.

Availability of Liquidity Facility

Pursuant to the terms of the Liquidity Facility Agreement, the Liquidity Facility Provider will provide a committed facility for drawings to be made in the circumstances described in "The Liquidity Facility Agreement and Inter-company Loan Agreements" at page 182. The facility will, however, be subject to an initial maximum aggregate principal amount of €109,040,873 which will, in certain specified circumstances, be reduced. The amount available to be drawn under the facility, at any time, may be reduced in certain circumstances, such that insufficient funds may be available to the Issuer to pay in full interest due on the Notes. This risk will be borne first, by the holders of the Class X Notes; secondly, by the holders of the Class H Notes; thirdly by the holders of the Class G Notes; fourthly, by the holders of the Class F Notes; fifthly, by the holders of the Class E Notes; sixthly by the holders of the Class D Notes; seventhly by the holders of the Class C Notes; eighthly by the holders of the Class B Notes; ninthly by the holders of the Class A2 Notes; and tenthly by the holders of the Class A1 Notes.

United States Tax Characterisation of the Notes

Although all of the Notes are denominated as debt, there is a significant possibility that the Class X Notes, the Class G Notes and the Class H Notes (and to a lesser extent, one or more senior classes of Notes) may be treated as equity for United States federal income tax purposes. Such a characterisation could have certain adverse tax consequences to United States investors who hold such Notes.

For further information about the United States tax treatment of the Notes, see "United States Taxation – Characterisations of the Notes" at page 323.

The introduction of International Financial Reporting Standards

The Irish tax position of the Issuer depends to a significant extent on the accounting treatments applicable to it. The accounts of the Issuer are required to comply with International Financial Accounting Standards ("**IFRS**") or with generally accepted accounting principles in Ireland ("**Irish GAAP**") which has been substantially aligned with IFRS. There was a concern that companies such as the Issuer might, under either IFRS or Irish GAAP, be forced to recognise in their accounts movements in the fair value of assets that could result in profits or losses for accounting purposes which bear little relationship to the company's actual cash position. These movements in value would generally have been brought into the charge to tax (if not relieved) as a company's tax liability on such assets broadly follows the accounting treatment. However, the Finance Act 2005 of Ireland provides a solution whereby the taxable profits of a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997 of Ireland as amended (and it is expected that the Issuer will be such a qualifying company), will be based on the profits that would have arisen under Irish GAAP as it existed at 31st December 2004. This is provided that this profit amount is identified in a note to the audited financial statements of the company. It is possible to elect out of this treatment but such an election is irrevocable. If such an election is made, then taxable profits or losses could arise to the Issuer as a result of the application of IFRS or current Irish GAAP that are not contemplated in the cashflows for the transaction and as such may have a negative effect on the Issuer and its ability to make payments to Noteholders. The Issuer has covenanted that no such election will be made and that a note of profits as calculated under Irish GAAP as it existed at 31 December 2004 will be included in its audited financial statements.

European Union Directive on Taxation of Saving Income

Under the European Union Council Directive 2003/48/EU on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-European Union countries and territories, including Switzerland, have agreed to adopt similar measures (a withholding system in the case of Switzerland).

Withholding Tax under the Notes and Issuer Assets

In the event any withholding or deduction for or on account of taxes is imposed on or is otherwise applicable to payments of interest on or repayments of principal of the Notes to Noteholders, the Issuer will not be obliged to gross-up or otherwise compensate Noteholders for the lesser amounts the Noteholders would receive as a result of such withholding or deduction.

In the event any withholding or deduction for or on account of taxes is imposed on or is otherwise applicable to payments under the ATU Note, the ATU Issuer will not be obliged, under the terms and conditions of the ATU Note, to gross up the amount of the withholding. Under such circumstances, the ATU Issuer would, if so requested by an extraordinary resolution, or at the written direction of, not less than $66^{2}/_{3}$ per cent. of the ATU Noteholders, be under an obligation to redeem the ATU Note, subject to having sufficient funds to do so.

In the event any withholding or deduction for or on account of taxes is imposed on or is otherwise applicable to payments under the Swiss Note, the Swiss Issuer will not be obliged, under the terms and conditions of the Swiss Note, to gross up the amount of the withholding. Under such circumstances, the Swiss Issuer would be under an obligation to redeem the Swiss Note, subject to having sufficient funds to do so.

Tax

For information about the taxation laws of the relevant jurisdictions that might impact upon the Issuer's payment obligations under the Notes, see the information set out under the headings ''Irish Taxation Matters'' at page 317; ''United States Taxation'' at page 322; ''United Kingdom Taxation'' at page 331 and ''German Taxation'' at page 332.

ERISA Considerations

Although no assurances can be made, the conditions and restrictions on transfers of the Notes set forth under ''Transfer Restrictions'' at page 344 and ''U.S. ERISA Considerations'' at page 335 are intended to prevent the assets of the Issuer from being treated as the assets of a plan subject to the United States Employee Retirement Income Security Act of 1974, as amended (''**ERISA**'') or Section 4975 of the United States Internal Revenue Code of 1986, as amended (the ''**Code**'') or any governmental or church plan that is subject to any federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (''**Similar Law**''). If the assets of the Issuer were deemed to be ''plan assets'', certain transactions that the Issuer may have entered into, in the ordinary course of business might constitute non-exempt prohibited transactions under ERISA and/or Section 4975 of the Code, or Similar Law, and might have to be rescinded.

Each purchaser or transferee of the Notes that is, or is acting on behalf of, an ERISA Plan that is subject to ERISA or Section 4975 of the Code will be deemed to represent and warrant that its acquisition and holding of Notes will not result in a non-exempt prohibited transaction under ERISA or the Code.

For further information, and for a more detailed discussion of certain ERISA-related considerations with respect to an investment in the Notes, see ''U.S. ERISA Considerations'' at page 335.

Change of Law

The structure of the issue of the Notes and the ratings which are to be assigned to them are based on English law, New York law, Irish law, Dutch law, German law, Luxembourg law and Swiss law and on administrative practice in each of those jurisdictions in effect as at the date of this document. No assurance can be given as to the impact of any possible change to English law, New York law, Irish law, Dutch law, German law, Luxembourg law and Swiss law or to administrative practice in any of the foregoing jurisdictions after the date of this Offering Circular, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under the Notes.

Implementation of the Basel II framework

On 26th June 2004, the Basel Committee on Banking Supervision (the ''**Basel Committee**'') published the text of a new capital accord under the title *Basel II: International Convergence of Capital Measurement and Capital Standards: a Revised Framework* (''**Basel II**''); a revised version

was published on 15th November 2005. Basel II replaces the 1988 Basel Capital Accord and places enhanced emphasis on risk-sensitivity and market discipline. The Basel Committee has suggested that the various approaches under the Framework should be implemented in stages, some from year-end 2006; the most advanced at year-end 2007. National implementation dates may differ depending on the relevant implementation process. If implemented in accordance with its current form, Basel II could affect the risk weighting of the Notes in respect of investors which are subject to Basel II in the form of any national legislative implementation thereof including, in respect of EU financial institution investors, via the proposed Capital Requirements Directive. Consequently, investors should consult their own advisors as to the consequences to and effect on them of the proposed national implementation of Basel II. No predictions can be made by the Issuer as to the precise effects of potential changes which might result if Basel II is adopted in its current form or otherwise.

Hedging risks

The Fixed Rate Loans bear interest at a fixed rate of interest while each class of the Notes bears interest at a rate based, except in the case of the first Interest Period, on three month EURIBOR plus the applicable margin. In order to address the risk of such mismatch of interest rates, the Issuer will enter into the Swap Transactions pursuant to the Swap Agreements. The Issuer is also subject to certain other risks relating to currency and interest rate basis mismatches, which it will also seek to hedge by way of Swap Transactions. However, there can be no assurance that the Swap Transactions will adequately address unforeseen hedging risks. Moreover, in certain circumstances the Swap Agreement may be terminated and as a result the Issuer may be unhedged if replacement swap transactions cannot be entered into. Noteholders may also suffer a loss if, as a result of a default by a Borrower under a Loan Agreement one or more of the Swap Transactions is terminated and the Issuer is, as a result of such termination, required to pay a termination amount to the Swap Provider. Certain amounts payable on an early termination of a Swap Transaction or the Swap Agreement rank senior to any payments to be made to the Noteholders both before enforcement of the Issuer Security and after enforcement of the Issuer Security.

For further information about the Swap Agreements see ''Description of the Swap Agreements'', at page 188.

The Issuer believes that the risks described above are the principal risks inherent in the transaction for the Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the above statements regarding the risks of holding the Notes are exhaustive. Although the Issuer believes that the various structural elements described in this Offering Circular lessen some of these risks for Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.

DEUTSCHE BANK AKTIENGESELLSCHAFT

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2nd May 1957. 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.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real estate finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "**Deutsche Bank Group**").

Deutsche Bank's long-term senior debt has been assigned a rating of AA- (outlook stable) by Standard & Poor's, Aa3 (outlook stable) by Moody's Investors Services and AA- (outlook stable) by Fitch Ratings.

THE LOANS AND RELATED SECURITY

The Loan Origination Process

The Loans have been originated by the Originator in 2005 and 2006. The Loan Pool includes one Dutch Loan, eight German Loans and one Swiss Loan.

As described further below, there are structural differences between each of the Loans, reflecting both the legal requirements of the various jurisdictions in which the relevant real properties are situated and the commercial requirements of the parties involved in the origination of the Loans. These differences notwithstanding, in originating the Loans, the Originator has adhered to a consistent origination philosophy and approach, qualified, to the extent required, by the laws and commercial practices of each of the relevant jurisdictions.

The following description relates to the origination philosophy and approach of the Originator and does not apply specifically to the origination of the Loans and the requirements of the parties involved. It is followed, however, by a description of each of the Loans.

Lending Criteria

Lending Philosophy

The Originator is engaged in the business of, among other things, making loans secured directly or indirectly by commercial real properties such as office properties, industrial properties and warehouse properties as well as retail properties and multifamily properties. Such real properties are intended to generate a regular periodic income, most usually from rental payments made by occupational tenants pursuant to occupational lease arrangements.

The decision of the Originator to make a loan is based on an analysis of the contracted periodic income generated or expected to be generated by the relevant real property or properties constituting security therefor pursuant to the terms of the occupational leases granted in respect of that property or those properties or expected to be generated in view of the overall quality of that property of those properties. In deciding whether to make a loan, the Originator assesses the risks relating to the periodic income generated by the relevant real property or properties and the risk of refinancing the principal amount due upon maturity of the loan, if any. Further, in deciding whether to make a loan in any particular jurisdiction, the Originator considers, together with its external legal advisers, the legal environment in such jurisdiction and how this will impact on its ability to recover the interest on and the principal of a loan made by it in such jurisdiction, particularly following the occurrence of a default. The plans and strategy for the use of the relevant real property, as well as the real property investment experience and expertise of the relevant borrower's sponsors, both generally and within the context of a particular jurisdiction, are also factors which the Originator considers when deciding whether to make a loan.

Types of Borrower

In order to minimise the risk that the borrower to which it makes a loan is or will become insolvent at any time prior to the repayment of the loan in full, the Originator typically, but not invariably, requires the borrower to have been established as an ''insolvency remote'' limited purpose entity.

The borrower of a loan made by the Originator will often, but not invariably, be established contemporaneously with the loan being made, or in the case of a refinancing, contemporaneously with the original loan being made, and thus will not have any pre-existing liabilities, actual or contingent relating to historic activities. Further, the activities of the borrower will be restricted, both through appropriate negative covenants in the documentation relating to the loan and, in certain cases, through appropriate restrictions in its constitutional documents, to acquiring, financing, holding and managing the relevant real property, so as to ensure that its exposure to liabilities is minimised to those relating to the loan and relevant property. In some cases, the borrower will be permitted to undertake a limited amount of development work relating to the relevant real property or properties though this is exceptional.

If, for whatever reason, it is not possible to prescribe that the borrower of a loan take such form, the Originator will seek to satisfy itself of the borrower's solvency by requiring that suitably qualified professional advisers conduct a due diligence exercise in respect of it relating, in particular, to its pre-existing liabilities, both actual or contingent (including its general commercial liabilities, tax liabilities, employee-related liabilities, litigation-related liabilities or liabilities relating to

the relevant real property itself (such as environmental liabilities or liabilities in relation to committed capital expenditure)) and by controlling its ability to create further liabilities on a going-forward basis through appropriate negative covenants and, in certain cases, restrictions in its constitutional documents.

If and insofar as the borrower has any debt obligations other than the loan made by the Originator, these will typically be subordinated to the loan through contractual subordination or inter-creditor arrangements, particularly if such debt obligations are secured by any of the assets of the borrower which also constitute security for the loan which the Originator makes.

Security

The Originator aims to ensure that the loans it originates are secured both by the relevant real property or properties and by the cash-flow generated by such real property or properties, which is typically a stream of rental payments arising under the related occupational lease arrangements. The security package in respect of a loan will typically, but not invariably, include a first-ranking and fully perfected mortgage over the relevant real property and a first-ranking and fully perfected security interest in respect of the relevant rental payments, or the nearest equivalent thereof in the relevant jurisdiction. Where such security is taken, the Originator will seek to ensure that the security created is first ranking and fully perfected in accordance with any applicable law so that, in the event, an efficient enforcement of such security interests can be achieved. ''**First-ranking**'', when used in this Offering Circular in respect of a German mortgage or land charge (*Grundschuld*), means first ranking in division III (*Abteilung III*) of the relevant land register. Each folio of the land register consists of three divisions (*Abteilungen*) and an index (*Bestandsverzeichnis*). Division I sets out the ownership status and division II indicates encumbrances in real property other than security interests in land (such as mortgages and land charges) which are registered in division III.

In addition to the above, security may also be taken over other assets of the borrower. The Originator will seek to ensure that such security is also first-ranking and fully perfected. As regards bank accounts, the Originator will typically require that the collection of rental payments be structured in a particular manner, designed to maximise the efficacy of the security interests taken over the rental payments, the relevant bank accounts and the amounts standing to the credit thereof. In many instances, the borrower will have a pre-existing arrangement with the tenants of the relevant property whereby rental payments are credited to an account of the borrower or a managing agent. If that account is a non-commingled account (i.e. it is used to collect only the rental payments attributable to the property or properties the subject of the Originator's loan) over which the Originator can obtain control, it will usually take security and exercise control over that account. However, if that bank account is a commingled account (i.e. it is used to collect amounts other than just the rental payments attributable to the property or properties the subject of the Originator's loan) and the borrower requires control over it in order to make other payments which are unconnected with the Originator's loan, the Originator will typically require that the rental payments be swept promptly upon receipt to a non-commingled account over which it will take security or which will be in the name of the Originator or an affiliate of the Originator, and over which control can therefore be exercised. The objective, in all cases, is to obtain control over the cash-flow which will ultimately be used to service the Originator's loan. In addition to the security interests described above, the Originator will, under certain circumstances, require that excess cash flow generated by the relevant property or properties (i.e. cash-flow in excess of that required to service the loan) be swept into a designated bank account which again will be in the name of or controlled by the Originator or an affiliate until such time as the relevant circumstance ceases to exist.

In some instances, the Originator requires that the shareholders of the borrower grant a security interest over their respective shareholdings or other equity interests in the borrower so that the Originator can, if necessary, obtain control over the borrower by exercising rights granted in respect of the shares. By taking such control, the Originator could seek to influence the management by the borrower of the relevant real property or properties unless the exercise of such influence has adverse consequences under applicable law. Further, if the creditworthiness of the borrower and/or the value of the relevant real property or properties is regarded as insufficient by the Originator, the Originator may require that the obligations of the borrower in respect of the loan be supported by way of a third party guarantee, indemnity, letter of credit or similar instrument from a suitably credit-worthy entity.

While the Originator is consistent in the types of security interests it seeks in respect of any loan made by it, the relative importance of a particular type of security interest may vary depending on the circumstances of any particular loan, including the requirements of the jurisdiction in which such security interests would be enforced. In certain jurisdictions, for example, security over the shareholdings of the borrower are regarded as being as important, from the perspective of an efficient enforcement process, as mortgages over the relevant property or properties.

Valuations

Prior to advancing funds in respect of a loan, it is the Originator's policy to commission or require that the borrower commissions the preparation of a commercial lending valuation report (or retail lending valuation report, as the case may be), giving consideration to such factors as market condition, property repair, levels of income and local geographic issues, and to originate loans with an acceptable loan to value ratio.

Purpose of the Loan

Generally, the borrowers of the loans made by the Originator use the proceeds thereof to acquire or refinance the relevant real property or real properties which constitute security for the loan, or to acquire the share capital in other companies owning such real property or to refinance the acquisition of such share capital.

Repayment Terms

The majority of loans originated by the Originator have a term of between five and eight years. Loans originated by the Originator may be ''interest only'', may have defined principal repayment schedules or may require repayment so as to achieve defined loan to value targets. The principal repayment schedule of a loan is structured to take account of the profile of the contractual rental income which the Originator anticipates that the relevant real property will generate over the term of the loan and the anticipated realisable value of such real property at the maturity of the loan. To the extent that a loan does not fully amortise by its scheduled maturity date, the borrower will be required to make a final bullet repayment.

In general, loans made by the Originator may be voluntarily prepaid by the borrowers thereof at any time. Such prepayment is usually contingent upon the payment of a prepayment fee, to the extent allowed by law and subject to such allowances as a borrower may have been able to negotiate. Under certain circumstances, the Originator will require mandatory prepayment of loans made by it. The most common circumstances in which the Originator requires mandatory prepayment is in the event of the relevant property or properties being sold or if it becomes unlawful for the Originator or its assigns to continue to fund the loan.

Insurance

In making a loan, the Originator places considerable importance on the insurance arrangements which exist with respect to the relevant real property or properties. The Originator will expect, to the extent it is possible in the context of a particular jurisdiction, each borrower to ensure that the following types of insurance cover are in place:

(a) insurance of the relevant real property, including fixtures and improvements, on a full reinstatement basis, with insurance for loss of rent, over a prescribed period, which may vary from loan to loan;

(b) insurance against third party liabilities;

(c) insurance against acts of terrorism, which coverage includes loss of rent on the relevant real property for a minimum stipulated period as well as rebuilding costs; and

(d) such other insurance as a prudent company in the business of the relevant borrower would effect.

The Originator will also expect the borrower to grant some form of legal interest to the Originator, or any person (such as a security trustee or security agent, as applicable) who holds security interests granted for the benefit of the Originator, in any insurance policy obtained by it and the proceeds arising therefrom. Market practice in each jurisdiction in which the Originator originates loans will differ with respect to the nature of the insurances to be obtained, as how, as a matter of law, a satisfactory legal interest in such insurances can be granted to the Originator or any security trustee or security agent, for the benefit of the Originator, and the Originator will take this into account in formulating its requirements.

All insurances must be in an amount and form acceptable to the facility agent and, where applicable, must be with an insurance company or underwriter that has certain minimum ratings. If the insurance company or underwriter ceases to meet the rating requirements, each borrower must diligently put in place replacement insurances with an insurance company or underwriter which does meet those requirements and is otherwise acceptable to the facility agent.

Each borrower must use its best endeavours to ensure that the facility agent receives any information in connection with the insurances, and copies of each insurance policy, which the facility agent may reasonably require.

Each borrower, again generally, must notify the facility agent of any renewal and variation or cancellation of any insurance policy made or, to the knowledge of that borrower, threatened or pending and no borrower may do or permit anything to be done which may make void or voidable any insurance policy.

If a borrower fails to comply with any of its obligations in relation to the provision of insurance, the facility agent may (but shall not be obliged), at the expense of that borrower, to effect any insurance on behalf of the finance parties (and not in any way for the benefit of that borrower) and take such other action as the facility agent may reasonably consider necessary or desirable to prevent or remedy any breach of its obligations relating to insurance.

Property Expenses

In making a loan, the Originator also considers the expenses to be incurred in respect of the relevant real property or properties and how such expenses are funded. The expenses which can be incurred in respect of a real property include, most significantly, property taxes and capital expenditure which must be incurred in order to maintain the property in a state of good order or in some cases to enhance the property. Given that cash-flow available to a borrower is typically limited to that which is generated by the relevant property or properties, the Originator seeks to confirm, as part of the origination process, that all necessary expenses can be met out of such cash-flow without the borrower's ability to pay interest on or repay the principal of a loan being compromised. The Originator will, in connection with the above analysis, require the borrower to produce an estimated budget of property related expenses and will compare such expenses to the income which it is anticipated will be generated by the relevant real property or properties over the same period.

Structural/Environmental Reports

Reports relating to the structure or construction of a property are generally obtained by the Originator in originating a loan and specific environmental surveys or enquiries are generally undertaken, the extent thereof varying from loan to loan.

Legal Due Diligence

Following the approval in principle of a loan facility, certain legal due diligence procedures are followed before a loan is actually advanced by the Originator. Details of these procedures are set out below.

General Information

In originating a loan in any jurisdiction, the Originator will appoint duly qualified and experienced legal advisers (the "**External Legal Advisers**"). The External Legal Advisers will assist the Originator in undertaking due diligence with respect to certain matters relating to the proposed loan. These matters include the background of the borrower and its exposure to other liabilities, actual or contingent, the structure of the loan and related security package, the title of the borrower or other relevant entity to the relevant real property or real properties and the occupational leases relating to the real property or real properties.

Property Title Investigation

An important part of the legal due diligence process undertaken by the External Legal Advisers is to verify that the prospective borrower or other relevant entity has or, if the relevant real property is being purchased using the proceeds of the loan, will have, good title to the relevant real property or real properties, free from any encumbrances or other matters which would be considered to be of a material adverse nature from the perspective of the Originator. The process of title verification is different in each jurisdiction in which the Originator makes loans.

However, in undertaking such a title verification process, the Originator requires its External Legal Advisers to adopt a standard consistent with what the relevant External Legal Advisers consider to be best practice in the relevant jurisdiction, and consistent with the quality of relevant information available in that jurisdiction.

The title verification process will typically involve the External Legal Advisers undertaking or, in certain jurisdictions, procuring that a notary public undertakes, searches of various public records relating to the relevant real property or real properties, reviewing documents relating to title to the relevant real property and or real properties raising various enquiries relating to the relevant real property or real properties. The Originator will typically, but not invariably, require its External Legal Advisers to prepare or obtain from suitably qualified legal advisers acting for the borrower a report on matters relating to title to the relevant real property, which report must be in form and substance reasonably satisfactory to the Originator. However, the form of report on title, even if obtained, may vary in accordance with the practice of the relevant jurisdiction.

Capacity of Borrower

In relation to any borrower that is a body corporate, the External Legal Advisers will satisfy themselves that the relevant entity is validly incorporated, has sufficient power and capacity to enter into the proposed transaction, whether it is the subject of any insolvency proceedings and generally that any formalities required to enter into the proposed transaction with the Originator have been completed (or would be completed by the drawdown date of the loan). If and insofar as the relevant real property is owned by an affiliate of the borrower, the External Legal Advisers will undertake similar due diligence in respect of the relevant affiliate.

Reliance on Legal Due Diligence

The legal due diligence referred to above is in each case addressed to the Originator, the facility agent or to the security agent or security trustee which holds the security for the relevant loan. It will not typically be updated prior to the sale of the relevant loans by the Originator for the purposes of undertaking a securitisation, nor will any due diligence report or report on title delivered on origination of a loan be re-addressed, as a matter of course, either to the issuer or any trustee in the context of any securitisation in which the Originator may be involved.

Drawdown and Post-Completion Formalities

The actual drawing of a loan is contingent upon the satisfaction by the borrower of certain conditions precedent. The conditions precedent required by the Originator are typically extensive, including delivery of reports on title to the relevant real property, valuation reports in relation to the relevant real property, corporate authorisation documents in respect of the borrower (if a body corporate), and all necessary authorisations and consents that the borrower must obtain before it can draw a loan, in each case in form and substance reasonably satisfactory to the Originator.

Following drawdown, it is usually the case that various registration formalities have to be undertaken with respect to the security interests granted in respect of a loan. The External Legal Advisers are required by the Originator to undertake, or ensure that the relevant borrower's legal counsel undertakes, such formalities within the prescribed time period so that the relevant security interests are registered in accordance with all applicable laws, thereby achieving perfection and first priority ranking.

Against this background, the following description relates to each of the Loans. The descriptions do not contemplate, unless specifically stated, the transfer of the Loans from any Originator to any of the Swiss Issuer or the Issuer, as the case may be. The terms of certain of the documents relating to the Loans were amended following the execution thereof. The descriptions contained herein contemplate such amendments unless the contrary is stated.

The Loan Pool – Overview

The Loan Pool is comprised of:

(a) the Dutch Loan, comprising the WFC Loan;

(b) the German Loans, comprising the A10 Shopping Center Loan, the ATU Loan, the GWK Loan, the Karstadt Kompakt Loan, the Jargonnant Loan, the Procom Loan, the Schmeing Loan and the Tiago Loan; and

(c) the Swiss Loan, comprising the Coop Loan.

A summary of each of the German Loans, the Swiss Loan and the Dutch Loan is set out below, on a Loan by Loan basis, focussing upon the certain key features, namely the nature and characteristics of the Borrower, the nature and characteristics of the properties, the bank account arrangements in respect of each of the Loans and contractual mechanics which exist for controlling the cash flow generated by the Properties and the Related Security. In addition to this Loan by Loan summary, a description of certain other terms of the Loan Agreements is also set out such descriptions being applicable to all of the Loans.

THE DUTCH LOAN

The WFC Loan

Overview

The WFC Loan was made by the Originator to World Fashion Centre Amsterdam Vastgoed B.V. (the "**WFC Borrower**") on 27th February 2006 pursuant to a loan agreement (the "**WFC Loan Agreement**") dated 23rd February 2006. The WFC Loan Agreement is governed by English law.

The aggregate principal amount drawn by the WFC Borrower under the WFC Loan Agreement was €117,000,000. The WFC Loan was originated after the Cut-Off Date. For the purposes of this Offering Circular, however, the WFC Loan is deemed to have had an aggregate outstanding principal amount of €117,000,000.

The WFC Loan was made for the primary purpose of enabling the WFC Borrower to acquire the properties collectively known as Towers I, II and IV (the "**WFC Properties**") together with the related business assets and liabilities from the sellers (being, in respect of Towers I and II, World Fashion Centre Amsterdam B.V. and, in respect of Tower IV, Fabege World Fashion B.V.) and to pay costs associated with the development of an extension to the WFC Properties known as the Exhibition Hall and also for other general corporate purposes of the WFC Borrower.

World Fashion Centre Amsterdam B.V. and Fabege World Fashion B.V. (together the "**WFC Affiliated Sellers**") are affiliates of the WFC Borrower. The WFC Affiliated Sellers sold the WFC Properties to the WFC Borrower, a newly incorporated limited purpose company, in order to facilitate the refinancing of the WFC Properties. The WFC Borrower entered into a closing agreement with the WFC Affiliated Sellers and their existing bank creditors dated 15th February 2006 in order to ensure that the existing debt of the WFC Affiliated Sellers in respect of the WFC Properties was repaid and the existing security therefor released.

The WFC Properties are an office complex and exhibition hall located in Amsterdam, the Netherlands. The WFC Properties are a centre for business-to-business activities between fashion designers and retailers in the Benelux region.

World Fashion Centre Amsterdam B.V. (the "**WFC Property Manager**") acts as managing agent in respect of the WFC Properties. The WFC Property Manager has entered into a duty of care agreement with, among others, the WFC Borrower and the Dutch Facility Agent.

There have been certain recent reports in the Dutch Press alleging a connection between the WFC Properties and one Willem Endstra who was alleged to have engaged in certain criminal activities. In response to these Press reports, the Originator obtained written confirmation from the sponsors of the WFC Borrower that they had no connections with Mr Endstra or his alleged criminal activities and that their acquisition of the WFC Properties did not violate, to their knowledge, any applicable law.

The WFC Borrower

The WFC Borrower was established contemporaneously with the WFC Loan being made. Thus, the WFC Borrower should not have any pre-existing liabilities, actual or contingent. The activities of the WFC Borrower are also restricted, both through appropriate negative covenants in the WFC Loan Agreement and, in certain cases, through appropriate restrictions in its constitutional documents, to acquiring, financing, holding and managing the WFC Properties and matters ancillary thereto, so as to ensure that its exposure to liabilities is minimised to those relating to the WFC Loan and the WFC Properties. The WFC Borrower has, therefore, been established as a limited purpose company.

Subordination

In connection with the financing of the WFC Properties by the WFC Borrower, the WFC Borrower has also entered into a loan agreement (the "**WFC Subordinated Loan Agreement**") with the WFC Affiliated Sellers. Payments of any amounts owing by the WFC Borrower under the WFC Subordinated Loan Agreement are expressly subordinated to payments of amounts owing by the WFC Borrower under the WFC Finance Documents pursuant to a subordination deed (the "**WFC Subordination Deed**" and together with the WFC Loan Agreement and the WFC Security Agreements, the "**WFC Finance Documents**") between, among others, the WFC Borrower, the

Dutch Security Trustee, the Dutch Facility Agent and the lenders under the WFC Subordinated Loan Agreement.

Payment of Interest

Interest on the WFC Loan is payable in arrear on a quarterly basis on 20th of January, April, July and October, subject to a business day convention (each a "**WFC Loan Interest Payment Date**"). The rate of interest applicable to the WFC Loan is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the WFC Loan is repayable by the WFC Borrower in full on 20th April 2011 (the "**WFC Scheduled Maturity Date**").

In addition, on each WFC Loan Interest Payment Date, the WFC Borrower is required to repay in part the principal amount outstanding of the WFC Loan. The scheduled principal amounts repayable are a relatively small percentage of the principal amount drawn by the WFC Borrower under the WFC Loan Agreement (being the product of 0.50 per cent. and the amount drawn by the WFC Borrower under the WFC Loan Agreement).

In addition to the obligation of the WFC Borrower to repay the principal amount outstanding under the WFC Loan Agreement in full on the scheduled maturity date and in part on each WFC Loan Interest Payment Date, the WFC Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding under the WFC Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding under the WFC Loan Agreement.

The WFC Borrower may make voluntary prepayments in full or in part of the principal amount outstanding under the WFC Loan Agreement on any WFC Loan Interest Payment Date. The minimum amount of any voluntary prepayment is €500,000 or, if less, the amount outstanding under the WFC Loan Agreement. The WFC Borrower may also make a voluntary prepayment in full of the principal amount outstanding under the WFC Loan Agreement if it is required to deduct from any payment made under the WFC Loan Agreement any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the lenders so that the lenders under the WFC Loan Agreement receive a net amount equal to the amount they would have received but for such deduction, or if the WFC Borrower is required to pay to the lenders any additional costs incurred by the lenders as a result of the loan under the WFC Loan Agreement having been made.

The WFC Borrower must make a prepayment in full or in part, as applicable, of the principal amount outstanding under the WFC Loan Agreement if it sells any of the WFC Properties. The WFC Borrower must also prepay amounts outstanding under the WFC Loan Agreement in full if it becomes unlawful for any lender to perform its obligations under the WFC Loan Agreement or if, in certain circumstances, there is a change in control of the WFC Borrower or World Fashion Centre Amsterdam Holding N.V. (the "**WFC Parent**").

Any voluntary prepayment or a mandatory prepayment under the WFC Loan Agreement made by the WFC Borrower will be applied against the principal amount outstanding in respect of the WFC Loan.

The WFC Borrower is also required to ensure that the loan to value ratio prescribed under the WFC Loan Agreement does not at any time exceed 85 per cent. However if the loan to value ratio does exceed 85 per cent. but does not exceed 95 per cent., the WFC Borrower may remedy the breach within 90 days of such breach by:

(a) prepaying the principal amount outstanding under the WFC Loan Agreement in an amount sufficient to ensure that the loan to value ratio is less than or equal to 85 per cent.; or

(b) by depositing into the WFC Borrower Deposit Account an amount sufficient to ensure that, if that amount was deducted from the principal amount outstanding under the WFC Loan Agreement, the loan to value ratio would be less than or equal to 85 per cent.

Property Disposal

No WFC Property may be sold unless the Dutch Facility Agent is satisfied that the proceeds from the sale of that WFC Property will be at least equal to an amount equal to 120 per cent. of the relevant release price for the relevant WFC Property set out in the WFC Loan Agreement (the "**WFC Release Amount**"). Upon the sale of any WFC Property, the WFC Borrower will pay the proceeds of such sale (less any reasonable costs relating to such sale) into the WFC Borrower Deposit Account (provided such amounts deposited is capped at the WFC Release Amount). On the WFC Loan Interest Payment Date following the disposal of any such WFC Property, the proceeds of such sale deposited into the WFC Borrower Deposit Account shall be applied in mandatory prepayment of the principal amount outstanding under the WFC Loan Agreement.

No substitutions of property are permitted under the WFC Loan Agreement.

Development Work

It is contemplated that the WFC Borrower may undertake certain development work in relation to the WFC Properties. If, however, such development work exceeds 5 per cent of the market value of the WFC Properties (as set out in the most recent valuation), the WFC Borrower is required to obtain the prior written consent of the Dutch Facility Agent to such work being undertaken. The consent of the Dutch Facility Agent cannot be unreasonably withheld provided that certain conditions are satisfied. These include, among others, that no default is outstanding or would be reasonably likely to arise as a result of the development work being undertaken, that such development work would have no adverse affect on the value or marketability of the WFC Property and that the WFC Borrower has sufficient funds standing to the credit of the WFC General Account to complete such works.

The WFC Borrower is not required to obtain the consent of the Dutch Facility Agent for any development work in relation to the WFC Properties up to the amount of €200,000; however, the WFC Borrower is required to notify the Dutch Facility Agent in advance of any such proposed development works.

Bank Accounts

Pursuant to the WFC Loan Agreement, the WFC Borrower maintains certain bank accounts, being the "**WFC Borrower Rent Account**", the "**WFC Borrower Deposit Account**", the "**WFC Contributions Account**" and the "**WFC General Account**". The WFC Property Manager also maintains two bank accounts (together, the "**WFC Property Manager Accounts**"). The functions of these accounts are described in more detail below.

The WFC Property Manager Accounts

All Rental Income (including any tenant contributions) owing to the WFC Borrower in respect of the WFC Properties is paid directly into the WFC Property Manager's Accounts. Only moneys representing Rental Income and tenant contributions in respect of the WFC Properties may be paid into the WFC Property Manager Accounts and such accounts must be held with a suitably rated bank.

The WFC Property Manager has undertaken to pay, twice monthly, all such Rental Income (net of tenant contributions, tenant association contributions, WFC Property Manager's fees and any portion of rental payments allocable to value added tax) received by it together with interest accrued thereon into the WFC Borrower Rent Account.

The WFC Property Manager has also undertaken to pay all unutilised tenant contributions (after accounting for all approved operating costs in the annual budget) and all tenant deposits received both prior to and after the drawdown date immediately into the WFC Contributions Account. The WFC Contributions Account is to be used for the sole purpose of holding tenants' deposits and unutilised tenant contributions.

The WFC Borrower Rent Account

On each WFC Loan Interest Payment Date, the Dutch Security Trustee will apply the amounts standing to the credit of the WFC Borrower Rent Account to make payments of interest on and repayments of principal under the WFC Loan Agreement and all other amounts then due and owing to the lenders under the WFC Loan Agreement. Once the required payments of interest, principal and other amounts are made, any amount then standing to the credit of the WFC Borrower Rent Account will be released, subject to certain conditions precedent to the release of

such funds being met (including the absence of an event of default and compliance with the applicable debt service coverage ratio), to the WFC Borrower by transferring such amount to the WFC General Account. However, if the debt service coverage ratio is less than 115 per cent. but is greater than 105 per cent. on such WFC Loan Interest Payment Date, any surplus in the WFC Borrower Rent Account will be paid into the WFC Borrower Deposit Account rather than being relaxed to the WFC General Account.

The WFC Borrower Deposit Account

All amounts received by the WFC Borrower under any insurance policy held by the WFC Borrower in respect of the WFC Properties (other than in respect of loss of rent insurance) shall be paid into the WFC Borrower Deposit Account in accordance with the terms of the WFC Loan Agreement.

The proceeds of any property damage insurance shall be applied in replacement or restoration of the WFC Properties and the proceeds of any loss of rent insurance shall be paid into the WFC Borrower Rent Account in an amount equal to that which the Dutch Facility Agent determines would have been paid in the related interest period as Rental Income or, in either case, to the extent the relevant insurance policy and any occupational leases do not restrict it, at the option of the Dutch Facility Agent, applied towards prepaying the amount outstanding under the WFC Loan Agreement.

The Dutch Security Trustee has sole signing rights in respect of the WFC Borrower Rent Account, the WFC Contributions Account and the WFC Borrower Deposit Account. The WFC Borrower has pledged the WFC Borrower Rent Account, the WFC Borrower Deposit Account, the WFC Contributions Account and the WFC General Account to the Dutch Security Trustee and the WFC Property Manager has pledged the WFC Property Manager Accounts to the Dutch Security Trustee.

The WFC Related Security

The WFC Loan has the benefit of certain security (the "**WFC Related Security**") granted by the WFC Borrower, the WFC Parent and the WFC Property Manager under the WFC Security Documents on or before the origination of the WFC Loan.

The WFC Related Security includes, among other things:

(a) mortgages (*hypotheek*) in respect of the WFC Properties in an aggregate principal amount of €117,000,000 (increased by 40% in respect of interest and costs);

(b) an undisclosed pledge of all present and future Rental Income generated by the WFC Properties, all rights under each relevant agreement pursuant to which the WFC Borrower acquired the WFC Properties and any present and future receivables originated under any sales agreement pursuant to which the WFC Borrower disposes of any part of the WFC Properties;

(c) a disclosed pledge of shares granted by the WFC Parent of its shares in the WFC Borrower;

(d) a disclosed pledge of the various bank accounts granted by the WFC Borrower;

(e) a disclosed pledge of the WFC Property Manager Rent Accounts granted by the WFC Property Manager (which, in the case of one of the WFC Property Manager Rent Accounts is subject to a prior ranking pledge and right of set-off in favour of the relevant account bank);

(f) a non-possessory pledge of all movable property granted by the WFC Borrower;

(g) a pledge of intellectual property rights granted by the WFC Borrower; and

(h) a disclosed pledge over claims under insurance policies granted by the WFC Borrower.

The WFC Security Documents are governed by Dutch law

Insurance

The WFC Borrower undertakes, in the WFC Loan Agreement, to effect or procure, that the following types of insurance cover are in place:

(a) insurance of the WFC Properties, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than 36 months;

(b) insurance against third party liabilities;

(c) insurance against acts of terrorism, which coverage includes loss of rent on the WFC Properties for a minimum stipulated period as well as rebuilding costs; and

(d) such other insurance as a prudent company in the business of the WFC Borrower would effect.

The WFC Borrower also undertakes to:

(a) use all reasonable endeavours to ensure that the Dutch Facility Agent and Dutch Securirty Trustee receives any information in connection with the insurances, and copies of each insurance policy, which the Dutch Facility Agent or the Dutch Security Trustee may reasonably require; and

(b) notify the Dutch Facility Agent and Dutch Security Trustee of any renewal and variation or cancellation of any insurance policy made or, to the knowledge of the WFC Borrower, threatened or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the WFC Borrower fails to comply with any of their obligations relating to insurance, the Dutch Security Trustee may (but shall not be obliged to), at the expense of the WFC Borrower, effect any insurance on behalf of the finance parties (and not in any way for the benefit of the WFC Borrower) and take such other action as the Dutch Facility Agent may reasonably consider necessary or desirable to prevent or remedy any breach of its obligations relating to insurance.

THE GERMAN LOANS

The A10 Shopping Center Loan

Overview

The A10 Shopping Center Loan was made by the Originator to "A10" Einkaufszentrum Wildau Dr. Herbert Ebertz KG (the "**A10 Shopping Center Borrower**") pursuant to a loan agreement (the "**A10 Shopping Center Loan Agreement**") dated 12th December 2005. The A10 Shopping Center Loan Agreement is governed by English Law. The principal amount drawn by the A10 Shopping Center Borrower under the A10 Shopping Center Loan Agreement in aggregate was €174,000,000. As at the Cut-Off Date, the principal amount outstanding of the A10 Shopping Center Loan was €173,304,000.

The A10 Shopping Center Loan was made for the purpose of, among other things, enabling the A10 Shopping Center Borrower to refinance of all its existing indebtedness in respect of a single commercial property (the "**A10 Shopping Center Property**"). The A10 Shopping Center Property is a regional shopping center located in Wildau, near Berlin.

The A10 Shopping Center Property is let to one or more tenants (each an "**A10 Shopping Center Tenant**" and together, the "**A10 Shopping Center Tenants**") pursuant to one or more lease agreements (each a "**A10 Shopping Center Lease**" and together the "**A10 Shopping Center Leases**"). The A10 Shopping Center Leases are primarily commercial leases based on a common form and entered into in respect of individual retail units within the A10 Shopping Center Property. The A10 Shopping Center Leases are governed by German law

The A10 Shopping Center Tenants are, under the terms of the A10 Shopping Center Leases, required to carry out servicing, maintenance, and repairs of the demised premises at their own cost. While the A10 Shopping Center Borrower is responsible for maintenance and repair of the common areas and facilities in the A10 Shopping Center Property, all sums expended in this regard are fully recoverable under a service charge payable by the A10 Shopping Center Tenants under the terms of the A10 Shopping Center Leases.

The A10 Shopping Center Property is managed pursuant to a management agreement entered into between the A10 Shopping Center Borrower and CEV Center Entwicklungs- und Verwaltungs- GmbH (the "**A10 Shopping Center Property Manager**"). The A10 Shopping Center Property Manager has entered into a duty of care agreement in favour of the A10 Shopping Center Borrower and the German Facility Agent.

The A10 Shopping Center Borrower

The A10 Shopping Center Borrower is a limited partnership (*Kommanditgesellschaft*) organised under the laws of Germany and is registered at the local court of Cologne under number HRA 13731.

The A10 Shopping Center Borrower's activities are limited to owning, managing and developing the A10 Shopping Center Property and ancillary activities. Accordingly, the A10 Borrower is a limited purpose entity.

Payment of Interest

Interest on the A10 Shopping Center Loan is payable in arrear on a quarterly basis on the 20th day of January, April, July and October of each year, subject to a business day convention (each a "**A10 Shopping Center Loan Interest Payment Date**"). The rate of interest payable on the A10 Shopping Center Loan is a fixed rate plus mandatory costs, if any.

Cross-Currency Swap

Pursuant to a 1992 ISDA Master Agreement and a schedule and confirmation thereto dated 13th December 2005 (together the "**A10 Shopping Center Swap Agreement**"), Deutsche Bank AG, London Branch (the "**A10 Shopping Center Currency Swap Provider**") has granted the A10 Shopping Center Borrower a cross-currency swap facility pursuant to which the A10 Shopping Center Borrower may swap a certain portion of the A10 Shopping Center Loan into Swiss Francs. The A10 Shopping Center Borrower entered into the A10 Shopping Center Swap Agreement in order to enable it to repay existing indebtedness in Swiss Francs. The cross-currency swap facility

granted under the A10 Shopping Center Swap Agreement will remain in place for the duration of the A10 Shopping Center Loan.

The obligations of the A10 Shopping Center Borrower under the A10 Shopping Center Swap Agreement are also secured by the A10 Shopping Center Related Security. On or about the Closing Date, however, the A10 Shopping Center Currency Swap Provider, the Issuer, the German Facility Agent and the German Security Trustee will enter into an intercreditor deed (the "**A10 Shopping Center Intercreditor Agreement**") pursuant to which all claims of the A10 Shopping Center Currency Swap Provider under the A10 Shopping Center Swap Agreement will be fully subordinated to the claims of the Issuer under the A10 Shopping Center Loan Agreement.

Under the terms of the A10 Shopping Centre Intercreditor Agreement, the A10 Shopping Centre Currency Swap Provider is granted certain protective rights in recognition of its subordinated position. These rights include the right to purchase the A10 Shopping Centre Loan from the Issuer in certain circumstances, the right to cure defaults in respect of the A10 Shopping Centre Loan and the right to be consulted with regard to the same matters that an Operating Advisor in respect of the A10 Shopping Centre Loan would have the right to be consulted (without prejudicing the rights of any Operating Advisor appointed by the Controlling Party in respect of the A10 Shopping Centre Loan). These rights are analogous to the equivalent rights granted to Subordinated Lenders under the German Intercreditor Deeds.

Repayment and Prepayment of Principal

The principal amount outstanding of the A10 Shopping Center Loan is repayable by the A10 Shopping Center Borrower in full on its final repayment date, being 20th January 2016 (the "**A10 Shopping Center Scheduled Maturity Date**").

In addition, on each A10 Shopping Center Loan Interest Payment Date, the A10 Shopping Center Borrower is required to repay in part the principal amount outstanding of the A10 Shopping Center Loan in an amount equal to the product of 0.40 per cent. and the amount of the A10 Shopping Center Loan on the drawdown date.

In addition to the obligation to repay the principal amount outstanding of the A10 Shopping Center Loan in full on the A10 Shopping Center Scheduled Maturity Date and in part on each A10 Shopping Center Loan Interest Payment Date, the A10 Shopping Center Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the A10 Shopping Center Loan; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding of the A10 Shopping Center Loan.

The minimum voluntary prepayment amount is €1,000,000. If a prepayment occurs on a date other than the last day of an interest period prescribed under the A10 Shopping Center Loan Agreement, the A10 Shopping Center Borrower is required to pay a "make whole adjustment", calculated in accordance with the A10 Shopping Center Loan Agreement, in respect of interest that would have been payable from the date of the prepayment to the next A10 Shopping Center Loan Interest Payment Date. The A10 Shopping Center Borrower is also responsible for the payment of any costs arising in connection with such prepayment, including without limitation, breakage costs.

The A10 Shopping Center Borrower is also required to ensure that the loan to value ratio prescribed under the A10 Shopping Center Loan Agreement does not at any time exceed 78.7 per cent. However, if the loan to value ratio exceeds 78.7 percent. but does not exceed 88.7 per cent., the A10 Shopping Center Borrower may remedy the breach by:

(a) prepaying the A10 Shopping Center Loan in an amount sufficient to ensure that the loan to value ratio is less than or equal to 78.7 per cent.; or

(b) depositing, in the A10 Shopping Center Borrower Deposit Account, an amount sufficient to ensure that, if that amount were deducted from the principal amount outstanding of the A10 Shopping Center Loan, the loan to value ratio would be less than or equal to 78.7 per cent.

Property Disposal

The A10 Shopping Center Borrower may dispose of the A10 Shopping Center Property provided that the net disposal proceeds are sufficient to prepay the A10 Shopping Center Loan in full, together with all interest accrued thereon.

Upon any sale of the A10 Shopping Center Property, the A10 Shopping Center Borrower is required to pay the proceeds of such sale (less any reasonable costs relating to such sale) into the A10 Shopping Center Borrower Deposit Account. On the A10 Shopping Center Loan Interest Payment Date following the disposal of the A10 Shopping Center Property, the net proceeds of such sale paid into the A10 Shopping Center Borrower Deposit Account shall be applied in mandatory prepayment of the A10 Shopping Center Loan.

Development Work

It is contemplated that the A10 Shopping Center Borrower may undertake certain development work in relation to the A10 Shopping Center Property. If, however, such development work exceeds 10 per cent. of the market value of the A10 Shopping Center Property (as set out in the most recent valuation), the A10 Shopping Center Borrower is required to obtain the prior written consent of the German Facility Agent to such work being undertaken. The consent of the German Facility Agent cannot be unreasonably withheld provided that certain conditions are satisfied. These include that no default is outstanding or would be reasonably likely to arise as a result of the development work being undertaken, that such development work would have no adverse affect on the value or marketability of the A10 Shopping Center Property and that the A10 Shopping Center Borrower has sufficient funds standing to the credit of the A10 Shopping Center General Account to complete such works.

In addition, the A10 Shopping Center Borrower may carry out development work of a lesser value than that specified above, subject to the satisfaction of a limited number of conditions including that no default is outstanding or would be reasonably likely to arise as a result of the development work being undertaken and subject also to the consent of the German Facility Agent.

Bank Accounts

Pursuant to the A10 Shopping Center Loan Agreement, the A10 Shopping Center Borrower maintains certain bank accounts, being the "**A10 Shopping Center Borrower Rent Account**", the "**A10 Shopping Center Borrower Deposit Account**" and the "**A10 Shopping Center General Account**". The A10 Shopping Center Property Manager also maintains a bank account (the "**A10 Shopping Center Property Manager Account**"). The functions of these accounts are described in more detail below. All the above bank accounts are maintained at Deutsche Bank AG.

The A10 Shopping Center Property Manager Account

Only moneys representing Rental Income in respect of the A10 Shopping Center Property may be paid by the A10 Shopping Center Property Manager into the A10 Shopping Center Property Manager Account.

The A10 Shopping Center Borrower must ensure that the A10 Shopping Center Property Manager pays all Rental Income received by it in respect of the A10 Shopping Center Property (net of tenant contributions, tenant association contributions and any portion of rental payments allocable to value added tax) together with interest accrued thereon into the A10 Shopping Center Borrower Rent Account no later than the earlier of two business days after receipt and three business days prior to the next A10 Shopping Center Loan Interest Payment Date.

The A10 Shopping Center Borrower Rent Account

On each A10 Shopping Center Loan Interest Payment Date, the German Security Trustee, will apply the amounts standing to the credit of the A10 Shopping Center Borrower Rent Account to make payments of interest on and repayments of principal, of the A10 Shopping Center Loan and all other amounts then due and owing to the lender under the A10 Shopping Center Loan Agreement.

Once the required payments of interest, principal and other amounts are made, then, subject to certain conditions being met (including the absence of a default under the terms of the A10 Shopping Center Loan Agreement, the debt service coverage test prescribed under the A10 Shopping Center Loan Agreement not being less than 105 per cent. and no other cash sweep event having occurred or continuing), any amount then standing to the credit of the A10 Shopping

Center Borrower Rent Account will be applied to pay amounts due to the A10 Shopping Center Currency Swap Provider and any surplus amounts will be released to the A10 Shopping Center Borrower by transferring such amount to the A10 Shopping Center General Account.

If, on an A10 Shopping Center Loan Interest Payment Date, the debt service coverage test in respect of the A10 Shopping Center Loan is less than 105 per cent. (or certain other cash sweep events have occurred and are continuing), any such surplus in the A10 Shopping Center Borrower Rent Account will be paid to the A10 Shopping Center Borrower Deposit Account. Any amount representing such surplus standing to the credit of the A10 Shopping Center Borrower Deposit Account on the next following A10 Shopping Center Loan Interest Payment Date will be applied, subject to the satisfaction of certain conditions, and after application of amounts from the A10 Shopping Center Borrower Rent Account, in making, to the extent needed, the required payments of interest, principal and other amounts due under the A10 Shopping Center Finance Documents.

The A10 Shopping Center Borrower Deposit Account

Pursuant to the A10 Shopping Center Loan Agreement, the A10 Shopping Center Borrower deposited an amount of €1,485,000 (the "**A10 Holdback Amount**") into the A10 Shopping Center Borrower Deposit Account in respect of: (a) potential legal disputes (involving an amount of €100,000); (b) tenant improvements related to certain tenants (involving an amount of €835,000); (c) an existing pledge by the general partner of the A10 Shopping Center Borrower in favour of Stadtsparkasse Cologne (involving an amount of €500,000); and (d) notarial and court fees related to the transfer and amendment of the mortgages relating to the A10 Shopping Center Property (involving an amount of €50,000).

The A10 Holdback Amount (or the relevant portion thereof) will be released to the A10 Shopping Center Borrower subject to satisfaction of certain release conditions, including that: (a) no default under the A10 Shopping Center Loan Agreement is continuing or would result from such transfer; and (b) evidence is provided to the German Facility Agent of (i) the resolution of the potential legal disputes; or (ii) the release of the existing pledge; or (iii) the payment of the costs related to the tenants improvements; or the payment of the notarial fee to the relevant notary public, as applicable. Upon the relevant release conditions being satisfied, at the request of the A10 Shopping Center Borrower, the relevant portion of the A10 Holdback Amount will be transferred from the A10 Shopping Center Borrower Deposit Account into the A10 Shopping Center General Account.

As described above, upon any sale of the A10 Shopping Center Property, the A10 Shopping Center Borrower is required to pay the proceeds of such sale (less any reasonable costs relating to such sale) into the A10 Shopping Center Borrower Deposit Account. On the A10 Shopping Center Loan Interest Payment Date following the disposal of the A10 Shopping Center Property, the net proceeds of such sale paid into the A10 Shopping Center Borrower Deposit Account shall be applied in mandatory prepayment of the A10 Shopping Center Loan.

All amounts received by the A10 Shopping Center Borrower under any insurance policy held by the A10 Shopping Center Borrower in respect of the A10 Shopping Center Property shall also be paid into the A10 Shopping Center Borrower Deposit Account. The proceeds of any property damage insurance shall be applied in replacement or restoration of the A10 Shopping Center Property and the proceeds of any loss of rent insurance must be paid into the A10 Shopping Center Borrower Rent Account in an amount equal to that which the German Facility Agent determines would have been paid in the related interest period as Rental Income or, in either case, to the extent the insurance policy and occupational lease do not restrict it, at the option of the German Facility Agent, in prepaying the principal amount outstanding A10 Shopping Center Loan.

The German Security Trustee has sole signing rights in respect of the A10 Shopping Center Borrower Rent Account and the A10 Shopping Center Borrower Deposit Account. The A10 Shopping Center Borrower has pledged the A10 Shopping Center Borrower Rent Account, the A10 Shopping Center Deposit Account and the A10 Shopping Center General Account to the German Security Trustee.

The A10 Shopping Center Related Security

The A10 Shopping Center Loan has the benefit of certain security interests (the "**A10 Shopping Center Related Security**") granted pursuant to certain security agreements (the "**A10 Shopping Center Security Agreements**" and, together with the A10 Shopping Center Loan

Agreement, the A10 Shopping Center Intercreditor Agreement and the A10 Shopping Center Property Management Agreement, the "**A10 Shopping Center Finance Documents**").

The A10 Shopping Center Related Security includes:

(a) 2 certificated mortgages (*Grundschuld mit Brief*) and 2 non-certificated mortgages (*Buchgrundschuld*), for which the conversion into certificated mortgages has been applied for at the relevant land register, in each case, granted by the A10 Shopping Center Borrower in respect of the A10 Shopping Center Property (together with agreement between the A10 Shopping Center Borrower and the German Security Trustee in respect of the security purpose of the mortgages (*Sicherungszweckvereinbarung*)). The mortgages secure an aggregate amount of €199,403,833.60. 100% of the amount secured by each mortgage is immediately enforceable;

(b) a pledge of the specified bank accounts of the A10 Shopping Center Borrower;

(c) an assignment of all present and future Rental Income in respect of the A10 Shopping Center Property;

(d) an assignment of any present or future receivables including those originated under any sales agreement pursuant to which the A10 Shopping Center Borrower disposes of any part of the A10 Shopping Center Property;

(e) an assignment of the proceeds or payments under certain German law governed insurance policies granted by the A10 Shopping Center Borrower; and

(f) a pledge of the general partner's partnership interests in the A10 Shopping Center Borrower with respect to the general partner's claim to receive a distribution quota (*Auseinandersetzungsguthaben*) and profits payable in relation to its participation in the partnership (*Gewinnanspruch*), which ranks after a pledge created in favour of Stadtsparkasse Köln.

The A10 Shopping Center Security Documents are governed by German law.

Insurance

The A10 Shopping Center Borrower undertakes in the A10 Shopping Center Loan Agreement to effect or procure that the following types of insurance cover are in place:

(a) building insurance in respect of the A10 Shopping Center Property on a full reinstatement basis, including insurance against loss of rent for a period of not less than 36 months;

(b) insurance against third party liabilities;

(c) such other insurance as a prudent merchant (*ordentlicher Kaufmann*) would put in place.

The A10 Shopping Center Borrower also undertakes in the A10 Shopping Center Loan Agreement to:

(a) use its best endeavours to ensure that the German Facility Agent receives any information in connection with the insurances, and copies of each insurance policy, which the German Facility Agent may reasonably require; and

(b) notify the German Facility Agent of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the A10 Shopping Center Borrower, imminent or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the A10 Borrower fails to comply with any of its insurance related obligations, the German Facility Agent may (but shall not be obliged to), at the expense of the A10 Shopping Center Borrower, effect the insurances concerned.

For further information about the A10 Shopping Center Loan, see "Risk Factors – Factors Relating to Certain Loans – The A10 Shopping Center Loan" at page 72.

THE ATU LOAN

Overview

The ATU Loan was made by the Originator to Lino Management B.V. (the "**ATU Borrower**") pursuant to a loan agreement (the "**ATU Loan Agreement**") dated 3rd August 2005 and amended on 31st August 2005. The ATU Loan Agreement is governed by English law.

The principal amount drawn by the ATU Borrower under the ATU Loan Agreement in aggregate was €672,000,000. The ATU Loan is a Senior Loan and as at the Cut-Off Date, had a principal amount outstanding of €470,595,000.

The ATU Loan was made for the purpose of enabling the ATU Borrower to undertake the purchase of a portfolio of 273 properties (each an "**ATU Property**" and together the "**ATU Properties**") of which 268 are retail properties and five are office or logistic properties and all of which are located in Germany. The main occupational tenant of the retail properties is A.T.U. Auto-Teile-Unger GmbH & Co. KG and the main occupational tenant for the offices is A.T.U.. ATU is an independent operator of combined automotive retail stores and repair services.

The ATU Borrower has appointed AtisReal Property Management GmbH as the property manager in respect of the ATU Properties (the "**ATU Property Manager**"). The ATU Property Manager has entered into a duty of care agreement with the ATU Borrower and the German Facility Agent.

The ATU Borrower

The ATU Borrower is a private company with limited liability (*besloten vennootschap met beperkte aansprkelijkheid*) incorporated under the laws of the Netherlands.

The ATU Borrower has represented in the ATU Loan Agreement that since the time of its formation it has not traded or carried on any business other than acquiring, managing, letting and owning the ATU Properties and related activities. Further, the ATU Borrower has represented in the ATU Loan Agreement that it does not, nor has it at any time had, any employees and that it does not have any subsidiaries. The activities of the ATU Borrower are restricted, as a result of undertakings in the ATU Loan Agreement, to acquiring, financing, holding and managing the ATU Properties and related activities.

The representations and undertakings described above are intended to ensure that the ATU Borrower remains a special purpose company.

For further information on the ATU Borrower, see Appendix 1 at page 351.

Subordination

The ATU Borrower also entered into a loan agreement with its parent entity, Narita Properties B.V. (the "**ATU Parent**"), under which the ATU Parent provided additional debt finance to the ATU Borrower (the "**ATU Subordinated Loan Agreement**") in connection with the financing of its acquisition of the ATU Properties.

Payments of amounts owing in respect of the ATU Subordinated Loan Agreement are expressly subordinated to payments of amounts owing in respect of the ATU Loan Agreement, pursuant to a deed of subordination (the "**ATU Subordination Agreement**" and together with the ATU Loan Agreement and the ATU Security Documents, the "**ATU Finance Documents**") between, among others, the ATU Borrower, and the ATU Parent.

Payment of Interest

Interest on the ATU Loan, in accordance with the terms of the ATU Loan Agreement, is payable in arrear on a quarterly basis on 20th of January, April, July and October, subject to a business day convention (each an "**ATU Loan Interest Payment Date**" and together, the "**ATU Loan Interest Payment Dates**").

The rate of interest applicable to the ATU Loan under the ATU Loan Agreement is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the ATU Loan is repayable by the Borrower in full on its scheduled maturity date, as prescribed by the ATU Loan Agreement, being 20th October 2012 (the "**ATU Scheduled Maturity Date**"), subject to a business day convention.

In addition, on each ATU Loan Interest Payment Date occurring from and including 20th January 2006 to but excluding the ATU Scheduled Maturity Date, the ATU Borrower is required to repay in part the principal amount outstanding under the ATU Loan Agreement. The scheduled principal amounts repayable prior to the ATU Scheduled Maturity Date are a relatively small percentage of the aggregate amount drawn under the ATU Loan Agreement. Accordingly, the principal amount outstanding of the whole ATU Loan on the ATU Scheduled Maturity Date is expected to be €536,221,250.

In addition to the obligation of the ATU Borrower to repay the principal amount drawn under the ATU Loan Agreement on the ATU Scheduled Maturity Date and in part on the specified ATU Loan Interest Payment Dates, the ATU Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding under the ATU Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding under the ATU Loan Agreement.

The ATU Borrower may make voluntary prepayments in full or in part of the principal amount outstanding under the ATU Loan Agreement on any day, subject to complying with the relevant notice period under the ATU Loan Agreement. If a prepayment occurs on a date other than the last day of an interest period prescribed under the ATU Loan Agreement, the ATU Borrower is required to pay a "make whole adjustment", calculated in accordance with the ATU Loan Agreement, in respect of interest that would have been payable from the date of the prepayment to the next ATU Loan Interest Payment Date. The minimum amount of any voluntary prepayment so made is €1,000,000 or, if less, the outstanding amount under the ATU Loan Agreement. The ATU Borrower may also make a voluntary prepayment in relation to a single lender in the outstanding amount of the respective lender's participation in the ATU Loan: (a) if it is required to deduct from any payment made in respect of the ATU Loan any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the respective lender so that the lender under the ATU Loan Agreement receives a net amount equal to the amount it would have received but for such deduction; (b) if the ATU Borrower is required to pay to the lender any additional costs incurred by the lender as a result of advancing funds under the ATU Loan Agreement; or (c) if the respective lender claims indemnification from a ATU Borrower under the tax indemnity or the increased cost provisions in the ATU Loan Agreement.

The ATU Borrower must make a prepayment in full or in part, as applicable, of the principal amount outstanding under the ATU Loan Agreement if it sells an ATU Property or all of the ATU Properties. The ATU Borrower must also prepay the amount outstanding under the ATU Loan Agreement in full if it becomes unlawful for the lender to perform its obligations under the ATU Loan Agreement.

If the ATU Borrower makes a voluntary prepayment or a mandatory prepayment of the principal amount outstanding under the ATU Loan Agreement, it may be required to pay certain prepayment fees in respect of such prepayment. However, under the terms of the ATU Loan Agreement and the related fee letter, prepayment fees will not be paid in relation to prepayments made after a certain date specified therein.

Any voluntary prepayment or a mandatory prepayment of principal made by the ATU Borrower will be applied against the principal amount outstanding under the ATU Loan Agreement.

For further information about the application of scheduled amortisation and prepayments, see "The ATU Note – Amortisation and Prepayments" at 158.

Property Disposal

The ATU Borrower is prohibited, under the terms of the ATU Loan Agreement, from disposing of the whole or any part of its assets. This restriction does not apply, however, to the disposal by the ATU Borrower of its interest in an ATU Property if certain conditions are met. These include the condition that the consideration for such disposal is equal to or above the aggregate of the "**ATU Release Amount**" (being determined as a multiple, ranging from 110 per cent. to 100 per

cent. of the allocated loan amount of the relevant ATU Property, the multiple being based upon the loan to value position and/or the net disposal proceeds generated from the relevant ATU Property).

Upon the sale of an ATU Property, the ATU Borrower will pay the proceeds of such sale (less certain costs and VAT relating to such sale) into the Disposal Proceeds Account, which is one of the bank accounts which the ATU Borrower is required to maintain under the ATU Loan Agreement, as described further below. On the ATU Loan Interest Payment Date following the disposal of such ATU Property, the ATU Release Amounts shall be applied in mandatory prepayment of the amounts owing under the ATU Loan Agreement.

Bank Accounts

Pursuant to the ATU Loan Agreement, the ATU Borrower maintains the "**ATU Borrower Rent Account**", the "**ATU Borrower Deposit Account**", the "**ATU Disposal Proceeds Account**", the "**ATU Service Charge Accounts**" (comprising the "**Aktives Portfolio Account**" and the "**Passives Portfolio Account**") and the "**ATU General Account**". These bank accounts are described in more detail below.

Further, the ATU Borrower also opened two accounts with the account bank, designated the "**ATU Escrow Account**" and the "**ATU Reserve Account**" (the latter with two sub-accounts designated the "**Broken Funding Reserve Sub-Account**" and "**Acquisition Reserve Sub-Account**"). The operation of these bank accounts is described in further detail below in connection with the escrow arrangement and the acquisition reserve.

The ATU Borrower Rent Account

The ATU Borrower Rent Account is used for the purpose of collecting the Rental Income generated by the ATU Properties after deducting service charge expenses, insurance premiums, headlease rents and any amount representing VAT chargeable in respect of the Rental Income, in each case, in respect of the ATU Properties (the "**ATU Net Rental Income**").

In the case of the primary tenant of the ATU Properties, being ATU, the ATU Net Rental Income is paid by the tenants directly into the ATU Borrower Rent Account and in the case of other tenants, the ATU Net Rental Income is paid into the Aktives Portfolio Account, before being transferred to the ATU Borrower Rent Account.

On each ATU Loan Interest Payment Date, the German Security Trustee will apply the amounts standing to the credit of the ATU Borrower Rent Account to make payments of interest and repayments of principal as required under the ATU Loan Agreement, together with payment of all other amounts then due and owing under the ATU Loan Agreement, including any necessary transfers to the ATU Borrower Deposit Account, as described below.

Once the required payments of interest, repayments of principal and other amounts have been made, any amount then standing to the credit of the ATU Borrower Rent Account will be released, subject to certain conditions precedent to the release of such funds being met (including the absence of the event of default under the ATU Loan Agreement), to the ATU Borrower by transferring such residual amount to the ATU General Account.

The ATU Borrower Deposit Account

The ATU Borrower Deposit Account is used for the purpose of collecting excess cash flow standing to the credit of the ATU Borrower Rent Account if the loan to value ratio as determined under the ATU Loan Agreement at any time exceeds 95 per cent, or the interest cover ratio as determined under the ATU Loan Agreement at any time is less than 140 per cent. Amounts credited to the ATU Borrower Deposit Account therefore constitute credit enhancement in respect of the ATU Loan.

The ATU Disposal Proceeds Account

Upon the disposal of any ATU Property, the ATU Borrower will pay the proceeds of such disposal into the ATU Disposal Proceeds Account, in accordance with the terms of the ATU Loan Agreement. On the ATU Loan Interest Payment Date following the disposal of any ATU Property, the relevant ATU Release Amount shall be applied towards mandatory prepayment of the loan made under the ATU Loan Agreement.

The ATU Service Charge Accounts

There are two ATU Service Charge Accounts: the Aktives Portfolio Account, as described above, and the Passives Portfolio Account. The ATU Service Charge Accounts are used for the purpose of collecting the service charge payable in respect of the ATU Properties by the tenants.

The proceeds of any property damage insurance shall, under the ATU Loan Agreement, be applied in replacement or restoration of the affected ATU Property. If an event of default under the ATU Loan Agreement is continuing, however, or replacement or restoration of the affected ATU Property is not possible, all insurance proceeds in respect of property damage shall be used in or towards prepayment of amounts owing by the ATU Borrower under the ATU Finance Documents.

The German Security Trustee has sole signing rights in respect of the ATU Borrower Rent Account, the ATU Borrower Deposit Account, the ATU Disposal Proceeds Account and the ATU Reserve Account.

The ATU Borrower has pledged the ATU Borrower Rent Account, the ATU Borrower Deposit Account, the ATU General Account, the ATU Disposal Proceeds Account, the ATU Reserve Account, the ATU Escrow Account and the ATU Service Charge Accounts to the German Security Trustee.

Escrow Arrangement

Due to the ATU Properties being located throughout Germany and the property-by-property basis on which the registration of the ATU Borrower as owner must take place, the ATU Properties were not transferred to the ATU Borrower prior to the drawdown of funds under the ATU Loan Agreement. Accordingly, it was not possible, prior to the drawdown of funds under the ATU Loan Agreement, to create the mortgages in respect of the ATU Properties which were not transferred or even obtain the registration of priority notices for the benefit of the ATU Borrower, on the date of drawdown. Currently, priority notices exist in respect of 248 ATU Properties out of an aggregate of 273.

The process of title transfer and mortgage creation in respect of the ATU Properties is, however, on-going. In order to set up an appropriate mechanism to protect the lender during the period between the drawdown date and perfection of all land charges and registration of the priority notices in the land registries, the ATU Escrow Arrangement as described in the following paragraph was put in place.

In connection with the ATU Escrow Arrangement, the Borrower opened the ATU Escrow Account with the account bank in Amsterdam. The purchase price of the ATU Properties in the amount of €687,800,000.00 was paid into the ATU Escrow Account on 10th August 2005. The account bank was irrevocably instructed to effect payments from the ATU Escrow Account only on certain dates and after receipt of the official notarial payment confirmation from the notary acting in connection with the transfer of the ATU Properties that the conditions precedent for payments under the purchase agreement for the ATU Properties were fulfilled. The Escrow Arrangement terminated on 20th January 2006. The proceeds equal to the unpaid purchase price for the ATU Properties were then released by the account bank from the ATU Escrow Account and paid to the relevant seller.

Acquisition Reserve

Upon termination of the Escrow Arrangement on 20th January 2006, €84,930,569.58 of the remaining portion of the purchase price of the ATU Properties (plus accrued interest not applied to purchase ATU Properties for which the respective conditions precedent have been fulfilled) was transferred to the Acquisition Reserve Sub-Account (being a sub-account of the ATU Reserve Account) held by the ATU Borrower with the account bank in Amsterdam. As at 16th March 2006, the balance of the Acquisition Reserve Sub-Account was €70,397,809.

If no event of default under the ATU Loan Agreement is continuing, proceeds may be withdrawn from the Acquisition Reserve Sub-Account and applied as follows:

(a) during the period between 20th January 2006 and 20th July 2006 (the "**Acquisition Reserve Period**"), towards the purchase of any ATU Property which is not completed before 20th January 2006 but completes during the Acquisition Reserve Period; and

(b) on the last day of the Acquisition Reserve Period, towards the prepayment of amounts owing under ATU Loan Agreement and, if any funds remain after such prepayment, towards the payment of any break adjustments and other costs payable in relation to the aforementioned prepayment of amounts under the ATU Loan Agreement.

On the drawdown date of the ATU Loan, all fees incurred by the finance parties in relation to the transaction (including all fees which will occur upon a prepayment of the ATU Loan before 20th July 2006) were paid into the Broken Funding Reserve Sub-Account. The funds standing to the credit of the Broken Funding Reserve Sub-Account shall be used to pay all fees incurred by the finance parties including any fees incurred as a result that the ATU Loan is prepaid upon a Property not being completed.

The ATU Reserve Account has been pledged to the German Security Trustee as part of the security package granted in respect of the ATU Loan.

The ATU Related Security

The ATU Loan is secured by a variety of security interests granted by the ATU Borrower and the ATU Parent under various security documents (each an "**ATU Security Document**" and together the "**ATU Security Documents**") entered into by, among others, the ATU Borrower and, where relevant, the ATU Parent on or before the drawdown of amounts under the ATU Loan Agreement.

The security for the ATU Loan (the "**ATU Related Security**") includes, among other things:

(a) subject to the on-going registration of the ATU Properties, as described above certificated single mortgages (*Einzelbriefgrundschulden*) granted by the Borrower in respect of each ATU Property and the security purpose agreement (*Sicherungszweckerklärung*) made in relation to such mortgage. The mortgages secure an aggregated amount of €780,384,000. The submission to immediate enforcement is limited to ten per cent of the Mortgage amount. One of the mortgages is second-ranking, after a mortgage in favour of the City of Düsseldorf in the amount of €12,782;

(b) a security assignment of the ATU Borrower's rights and claims under each lease granted in relation to the ATU Properties, granted by the ATU Borrower in favour of the German Security Trustee;

(c) a first ranking pledges over the ATU Borrower's bank accounts, granted by the ATU Borrower in favour of the German Security Trustee;

(d) a security assignment of the ATU Borrower's rights and claims under the insurance policies relating to the ATU Properties, granted by the Borrower in favour of the German Security Trustee;

(e) a security assignment of the ATU Borrower's rights and claims under the purchase agreement relating to the ATU Properties, granted by the ATU Borrower in favour of the German Security Trustee; and

(f) a pledge of shares in the ATU Borrower from the ATU Parent and granted in favour of the German Security Trustee.

The share pledge and one of the bank account pledges are governed by Dutch law. The other ATU Security Documents are governed by German law.

Insurance

The ATU Borrower undertakes in the ATU Loan Agreement to effect or procure that the following types of insurance cover are in place:

(a) insurance of the ATU Properties, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than three years;

(b) insurance against third party and public liabilities; and

(c) insurance against acts of terrorism, in an amount not less than €110,000,000 in aggregate in respect of the reinstatement value of the Properties.

The ATU Borrower further undertakes in the ATU Loan Agreement to:

(a) use all reasonable endeavours to ensure that the German Security Trustee receives any information in connection with the insurances, and copies of each insurance policy, which the German Security Trustee may reasonably require;

(b) notify the German Security Trustee of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the ATU Borrower, threatened or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the ATU Borrower fails to comply with any of its insuring obligations, the German Security Trustee may (but shall not be obliged to), at the expense of the ATU Borrower, effect or renew any insurance in its own name (and not in any way for the benefit of that ATU Borrower).

For further information about the ATU Loan, see ''Risk Factors – Factors relating to Certain Loans – The ATU Loan'' at page 74.

THE GWK LOAN

Overview

The GWK Loan was made pursuant to a loan agreement (the "**GWK Loan Agreement**") dated 1st December 2005 between the Originator and GWK Braunschweig GmbH (the "**GWK Borrower**"). The GWK Loan Agreement is governed by German law and is drafted in the German language.

The principal amount drawn by the GWK Borrower under the GWK Loan Agreement was €43,000,000. The GWK Loan represents the whole loan drawn by the GWK Borrower under the GWK Loan Agreement and, as at the Cut-Off Date, the GWK Loan had a principal amount outstanding of €43,000,000.

The GWK Loan may, under the GWK Loan Agreement, only be used for the following purposes: (a) to refinance 66 multi-family and commercial properties (the "**GWK Properties**"), which are all located in or around the City of Brunswick (*Braunschweig*) near Hanover, Germany; (b) to finance the GWK Borrower's costs and expenses related to the GWK Loan Agreement; (c) to refinance other inter-company debt of the GWK Borrower; and (d) for the free disposition of the GWK Borrower within the scope of its business purpose.

The GWK Borrower

The GWK Borrower is a limited liability company (*Gesellschaft mit beschränkter Haftung – GmbH*) incorporated under the laws of Germany.

The GWK Borrower was initially established as a social housing provider in 1938 by, among others, the local authorities association (*Kreisgemeindeverband*) of Braunschweig-Land, 59 municipalities (*Gemeinden*) and 36 private shareholders.

The purpose of the GWK Borrower is primarily to provide housing to wide classes of society in a reliable and socially responsible manner. Under its articles of association, the GWK Borrower is entitled to construct, manage and maintain all kinds of premises. The GWK Borrower is also entitled to establish subsidiaries, acquire other enterprises or participate in other enterprises. In addition to the GWK Properties, the GWK Borrower also currently owns and manages the GWK Additional Properties. The GWK Additional Properties do not comprise part of the collateral for the GWK Loan.

The GWK Borrower currently employs nine employees who, among others, manage the GWK Properties and the GWK Additional Properties managed by the GWK Borrower.

As at the Closing Date, the shares in the GWK Borrower are owned by DGAG Deutsche Grundvermögen AG (the "**GWK Parent**") (as to 92.5 per cent.) and DGAG Beteiligung GmbH (as to 7.5 per cent.).

The GWK Borrower is not a limited purpose company.

Subordination

The GWK Borrower has entered into a master facility agreement with the GWK Parent, under which the GWK Borrower may borrow from its affiliates, and, if requested by such affiliates, shall be obliged to lend to its affiliates. The GWK Borrower has also entered into another facility agreement with the GWK Parent under which the GWK Borrower provided the GWK Parent with facilities to refinance its purchase of shares in the GWK Borrower.

Payments of amounts owing in respect of the above facility agreements are expressly subordinated to payments of amounts owing under the GWK Loan Agreement pursuant to a subordination agreement (the "**GWK Subordination Agreement**") between the GWK Borrower, the Originator and the GWK Parent.

Payment of Interest

Interest on the GWK Loan is payable in arrear on a quarterly basis on 20th of January, April, July and October of each year, subject to a business day convention (each a "**GWK Loan Interest Payment Date**"). The first GWK Loan Interest Payment Date will be 20th April 2006

The rate of interest applicable to the GWK Loan is a fixed rate.

Repayment and Prepayment of Principal

The outstanding principal amount of the GWK Loan is repayable by the GWK Borrower in full on its final repayment date being 20th April 2013.

In addition, on each GWK Loan Interest Payment Date occurring from and including the first GWK Loan Interest Payment Date to but excluding 20th April 2013, the GWK Borrower is required to repay in part the principal amount outstanding under the GWK Loan Agreement. The scheduled repayment of principal on each GWK Loan Interest Payment Date amounts to 0.425 per cent. of the aggregate allocated loan amount specified in the GWK Loan Agreement.

In addition to the obligation of the GWK Borrower to repay the principal amount outstanding the GWK Loan Agreement on the final repayment date and in part on the specified GWK Loan Interest Payment Dates, the GWK Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the GWK Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding under the GWK Loan Agreement.

The GWK Borrower may make voluntary prepayments in full or in part of the principal amount outstanding under the GWK Loan Agreement on any GWK Loan Interest Payment Date. The minimum amount of any such voluntary prepayment is €500,000. The GWK Borrower may also make a voluntary prepayment in full of the outstanding principal amount outstanding under the GWK Loan Agreement if it is required to deduct from any payment made under the GWK Loan Agreement any amount for or on account of any tax, and is consequently required to ''gross-up'' a payment to the lender so that the lender under the GWK Loan Agreement receives a net amount equal to the amount it would have received but for such deduction, or if the GWK Borrower is required to pay to the lender any additional costs incurred by the lender as a result of the loan under the GWK Loan having been made.

The GWK Borrower must make a prepayment, in the amount of the relevant GWK Release Amount (subject to a minimum prepayment amount of €500,000), if it sells a GWK Property. The GWK Borrower must also prepay amounts outstanding under the GWK Loan Agreement in full if it becomes unlawful for the lender to perform its obligations under the GWK Loan Agreement.

If the GWK Borrower makes a voluntary prepayment or a mandatory prepayment of the outstanding principal amount under the GWK Loan Agreement, it may be required to pay certain prepayment fees to the German Facility Agent under the terms of an indemnity agreement governed by English law (the ''**GWK Indemnity Agreement**'').

Property Disposal

The GWK Borrower is prohibited from disposing of the whole or any part of its assets, with the exception of the disposal of ownership of condominium units (*Wohnungseigentum*). This restriction does not apply to the disposal by the GWK Borrower of its interest in a GWK Property if certain conditions are met. These include the condition that the consideration for such disposal is equal to or above the aggregate of the relevant ''release amount'' (*Freigabepreis*). Upon the sale of a GWK Property, the GWK Borrower will pay 110% (or, if the German Facility Agent so requires, 115%) of the allocated loan amount relating to the relevant GWK Property (the ''**GWK Release Amount**''), subject to a minimum of €500,000, into the GWK Borrower Deposit Account.

Bank Accounts

Pursuant to the GWK Loan Agreement, the GWK Borrower maintains the ''**GWK Borrower Existing Rent Account**'' (*bestehendes Mietkonto*), the ''**GWK Borrower Rent Account**'' (*Mietkonto*), the ''**GWK Borrower Deposit Account**'' (*Rücklagenkonto*) and the ''**GWK General Account**'' (*Allgemeinkonto*). These bank accounts are described in more detail below.

The GWK Borrower Existing Rent Account

All rental income owing to the GWK Borrower in respect of the GWK Properties is paid directly into the GWK Borrower Existing Rent Account.

The GWK Borrower has undertaken on the 10th day of each month, to sweep amounts standing to the credit of the GWK Borrower Existing Rent Account and credit such amounts to the

GWK Borrower Rent Account, so that the aggregate monthly payments are equal to €3,060,609 ("**GWK Net Operating Income Amount**").

The GWK Borrower Rent Account

On each GWK Loan Interest Payment Date, the German Security Trustee will apply the amounts standing to the credit of the GWK Borrower Rent Account in accordance with the priorities of payment set out in the GWK Loan Agreement. Subject to the payment of interest and repayment of principal of the GWK Subsidised Loans and the payment of the GWK Borrower's operating expenses and any outstanding and unpaid real estate taxes, insurance premiums and interests on hereditary building rights, the accrued interest on and the repayment of principal due under the GWK Loan Agreement are the next items to which such amounts are to be applied.

The GWK Borrower Deposit Account

Upon the occurrence of certain events prescribed under the GWK Loan Agreement which lead to the sweeping of excess cash-flow, the GWK Borrower shall pay or ensure payment of amounts to the GWK Borrower Deposit Account. In particular, if the loan to value ratio under the GWK Loan Agreement is greater than 85 per cent. but does not exceed 100 per cent., the GWK Borrower may, in order to remedy such default under the GWK Loan Agreement, deposit into the GWK Borrower Deposit Account an amount sufficient to ensure that, if that amount was deducted from the GWK Loan, such loan to value ratio would be less than or equal to 85 per cent. Further, if the debt service cover test prescribed under the GWK Loan Agreement is less than 115 per cent., then any surplus standing to the credit of the GWK Borrower Rent Account shall be swept into the GWK Borrower Deposit Account. Any surplus standing on the credit of, and not required to be held in the GWK Borrower Deposit Account will be released to the GWK Borrower by transferring such amount to the GWK General Account.

The GWK Borrower has sole signing rights in respect of the GWK Borrower Existing Rent Account. The GWK Security Trustee has sole signing rights in respect of the GWK Borrower Rent Account and the GWK Borrower Deposit Account. Under the GWK Account Pledge Agreement (*Kontoverpfändungsvertrag*), the GWK Borrower has pledged the GWK Borrower Existing Rent Account, the GWK Borrower Rent Account, the GWK Borrower Deposit Account and the GWK General Account to the German Security Trustee.

The GWK Related Security

The Related Security for the GWK Loan (the "**GWK Related Security**"), granted by the GWK Borrower under various security documents (together, the "**GWK Security Documents**") includes, among other things:

(a) in relation to each GWK Property, a certificated consolidated mortgage (*Gesamtbriefgrundschuld*) and the security purpose agreement (*Sicherungszweckvereinbarung*) made in relation to such mortgage in an aggregated amount equal to 100 per cent. of the principal amount drawn by the GWK Borrower under the GWK Loan Agreement;

(b) a security assignment of the GWK Borrower's rights and claims under each lease agreement entered into in relation to the GWK Properties;

(c) a security assignment of the GWK Borrower's rights and claims under the insurance policies relating to the GWK Properties; and

(d) first ranking pledges over the GWK Borrower Rent Account, the GWK Borrower Deposit Account and the GWK General Account and the GWK Borrower Existing Rent Account.

The GWK Security Documents are governed by German law.

The certificated consolidated mortgage is first ranking except in respect of two of the GWK Properties which are encumbered with mortgages securing existing subsidised loans that rank in priority to the relevant mortgages securing the GWK Loan. According to the GWK Loan Agreement, the aggregate amount outstanding under these subsidised loans as at 30th January 2006 was approximately €149,590.

Insurance

The GWK Borrower undertakes to effect or procure that the following types of insurance cover are in place in respect of the GWK Properties:

(a) building insurance on a full reinstatement basis, including insurance against loss of rent for a period of not less than 36 months;

(b) insurance against third party liabilities; and

(c) such other insurance as a prudent merchant (*ordentlicher Kaufmann*) would put in place.

In addition, the GWK Borrower also undertakes to effect or procure that the following types of insurance cover are in place in respect of its employees:

(a) commercial third party liability insurance (*Betriebschaftpflichtversicherung*);

(b) infidelity insurance (*Vertrauensschadenversicherung*), in respect of losses of the GWK Borrower caused by any theft, fraud or infidelity of its employees;

(c) pecuniary losses insurance (*Vermögensschadenversicherung*), in respect of liabilities to third parties caused by acts of the employees; and

(d) architect and engineer insurance (*Architekten-und Ingenieurversicherung*), in respect of personal injury and material damage caused to third parties by any of the engineers employed by the GWK Borrower.

The GWK Borrower also undertakes:

(a) to use its best endeavours to ensure that the German Facility Agent receives any information in connection with the insurances, and copies of each insurance policy, which the German Facility Agent may reasonably require;

(b) to notify the German Facility Agent of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the GWK Borrower, imminent or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the GWK Borrower fails to comply with any of its insurance related obligations, the German Facility Agent may (but shall not be obliged to), at the expense of the GWK Borrower, procure any required insurance.

For further information about the GWK Loan see ''Risk Factors – Factors Relating to Certain Loans – The GWK Loan'' at page 75.

THE JARGONNANT LOAN

Overview

The Jargonnant Loan was made by the Originator to JP Residential III S.à. r.l. (the "**Jargonnant Borrower**") pursuant to a loan agreement (the "**Jargonnant Loan Agreement**") dated 29th August 2005. The Jargonnant Loan Agreement is governed by English law. The amounts available under the Jargonnant Loan Agreement were drawn in two tranches:

(a) a tranche which was drawn on 30th August, 2005 (the "**First Drawdown Date**") in an amount of €50,461,337.78 (the "**Jargonnant Loan A Tranche**"); and

(b) a tranche which was drawn on 21st October 2005 (the "**Second Drawdown Date**") in an amount of €1,940,103.19 (the "**Jargonnant Loan B Tranche**").

The aggregate principal amount drawn by the Jargonnant Borrower under the Jargonnant Loan Agreement, therefore, was €52,401,441. The Jargonnant Loan is a Senior Loan and, as at the Cut-Off Date, had a principal amount outstanding of €49,071,936.

The amounts drawn under the Jargonnant Loan Agreement were applied by the Jargonnant Borrower for the purpose of enabling it to acquire a portfolio of 33 properties (each a "**Jargonnant Property**" and together the "**Jargonnant Properties**"). The Jargonnant Properties are multi-family residential properties located over 11 districts of Berlin, Germany.

A managing agent has been appointed by the Jargonnant Borrower in accordance with the Jargonnant Loan Agreement (the "**Jargonnant Property Manager**") to manage the Jargonnant Properties. The Jargonnant Property Manager has also entered into a duty of care agreement (the "**Jargonnant Duty of Care Agreement**") with the German Security Trustee acknowledging the interests of the lender under the Jargonnant Loan Agreement.

The Jargonnant Borrower

The Jargonnant Borrower is a limited liability company (*société à responsabilité limitée*) incorporated in Luxembourg.

The Jargonnant Borrower was established contemporaneously with the Jargonnant Loan A Tranche being drawn, and thus it did not have any pre-existing liabilities, actual or contingent prior to this time. The activities of the Jargonnant Borrower are restricted through undertakings contained in the Jargonnant Loan Agreement to acquiring, financing, holding and managing the Jargonnant Properties, so as to ensure that its exposure to liabilities is restricted to those relating to the Jargonnant Loan Agreement and the Jargonnant Properties.

The shares in the Jargonnant Borrower are legally owned by Jargonnant Partners S.à. r.l (the "**Jargonnant Parent**"), a limited liability company incorporated in Luxembourg.

Payment of Interest

Interest on the Jargonnant Loan, in accordance with the terms of the Jargonnant Loan Agreement, is payable in arrear on a quarterly basis on the 20th of January, April, July and October, subject to a business day convention (each a "**Jargonnant Loan Interest Payment Date**" and together the "**Jargonnant Loan Interest Payment Dates**").

The rate of interest applicable to the Jargonnant Loan is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the Jargonnant Loan is repayable by the Borrower in full on its scheduled maturity date, as prescribed by the Jargonnant Loan Agreement, being 20th October 2012 (the "**Jargonnant Scheduled Maturity Date**").

In addition, in respect of the Jargonnant Loan A Tranche and on each Jargonnant Loan Interest Payment Date:

(a) occurring from the First Drawdown Date to and including 20th July 2007, the Jargonnant Borrower is required to repay €157,691.68; and

(b) occurring from and excluding 20th July 2007 to the Jargonnant Scheduled Maturity Date, the Jargonnant Borrower is required to repay €220,768.35.

In addition, in respect of the Jargonnant Loan B Tranche and on each Interest Payment Date:

(a) occurring from the Second Drawdown Date to and including 20th July 2007, the Jargonnant Borrower is required to repay 0.31 per cent. of the principal amount outstanding of the Jargonnant Tranche B Loan on the Second Drawdown Date; and

(b) occurring from and excluding the 20th July 2007 to the Jargonnant Scheduled Maturity Date, the Jargonnant Borrower is required to repay 0.44 per cent. of the principal amount outstanding of the Jargonnant Tranche B Loan on the Second Drawdown Date.

The scheduled principal amounts repayable during the term of the Jargonnant Loan Agreement is a relatively small percentage of the principal amount drawn under the Jargonnant Loan Agreement and accordingly the amount outstanding of the Jargonnant Loan on the Jargonnant Scheduled Maturity Date is expected to be €46,512,043.

In addition to the obligation of the Jargonnant Borrower to repay the principal amount owing under the Jargonnant Loan Agreement on Jargonnant Scheduled Maturity Date and in part on the specified Jargonnant Loan Interest Payment Dates, the Jargonnant Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the Jargonnant Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding under the Jargonnant Loan Agreement.

The Jargonnant Borrower may make voluntary prepayments in full or in part of the principal amount outstanding under the Jargonnant Loan Agreement on any Jargonnant Loan Interest Payment Date. The minimum amount of any such voluntary prepayment is €1,000,000 or, if less, the outstanding amount under the Jargonnant Loan Agreement. The Jargonnant Borrower may also make a voluntary prepayment in full of the principal amount outstanding under the Jargonnant Loan Agreement if it is required to deduct from any payment made in respect of the Jargonnant Loan any amount for or on account of any tax, and is consequently required to ''gross-up'' a payment to the lender so that the lender under the Jargonnant Loan Agreement receives a net amount equal to the amount it would have received but for such deduction, or if the Jargonnant Borrower is required to pay to the lender any additional costs incurred by the lender as a result of advancing funds under the Jargonnant Loan Agreement.

The Jargonnant Borrower must make a prepayment in full or in part, as applicable, of the principal amount outstanding under the Jargonnant Loan Agreement if it sells a Jargonnant Property or all of the Jargonnant Properties. The Jargonnant Borrower must also prepay the amount outstanding under the Jargonnant Loan Agreement in full if it becomes unlawful for the lender to perform its obligations under the Jargonnant Loan Agreement or if, in certain circumstances, there is a change in control of the Jargonnant Borrower or its holding company.

If the Jargonnant Borrower makes a voluntary prepayment or a mandatory prepayment of the principal amount outstanding under the Jargonnant Loan Agreement, it may be required to pay certain prepayment fees to the lender. However, under the terms of the Jargonnant Loan Agreement, prepayment fees will not be repaid in relation to prepayments made after a certain date specified therein.

Any voluntary prepayment or a mandatory prepayment made by the Jargonnant Borrower under the Jargonnant Loan Agreement, will be applied against the principal amount outstanding under the Jargonnant Loan Agreement.

Property Disposal

No Jargonnant Property may be sold unless the German Facility Agent is satisfied that the proceeds from the sale of that Jargonnant Property will be at least equal to an amount equal to 115 per cent. of the relevant release price for the Jargonnant Property set out in the Jargonnant Loan Agreement (the ''**Jargonnant Release Amount**''). Upon the sale of any Jargonnant Property, the Jargonnant Borrower will pay the Jargonnant Release Amount relating to such sale into the Jargonnant Borrower Deposit Account, as further described below. On the Jargonnant Loan Interest Payment Date following the disposal of any such Jargonnant Property, the proceeds of such sale deposited into the Jargonnant Borrower Deposit Account shall be applied in mandatory prepayment of the principal amounts outstanding under the Jargonnant Loan Agreement.

No substitutions of property are permitted under the Jargonnant Loan Agreement.

Bank Accounts

Pursuant to the Jargonnant Loan Agreement, the Jargonnant Borrower maintains certain bank accounts, being the "**Aareal Account**", the "**Jargonnant Borrower Rent Account**", the "**Jargonnant Operating Account**", the "**Jargonnant Maintenance Reserve Account**", the "**Jargonnant Cash Reserve Account**", the "**Jargonnant Borrower Deposit Account**" and the "**Jargonnant General Account**". The functions of these accounts are described in more detail below.

The Aareal Account

All rental income payable to the Jargonnant Borrower in respect of the Jargonnant Properties will be paid directly into the Aareal Account. The German Security Trustee and the Jargonnant Property Manager have joint and several signing rights in respect of the Aareal Account.

The Jargonnant Property Manager has undertaken on the 4th and 15th of each calendar month, to sweep amounts standing to the credit of the Aareal Account up to an amount equal to €400,000, and credit such amounts to the Jargonnant Borrower Rent Account. Any residual amounts standing to the credit of the Aareal Account after such sweeps have taken place are to be paid into the Jargonnant Operating Account.

The Jargonnant Borrower Rent Account

On each Jargonnant Loan Interest Payment Date, the German Security Trustee, will apply the amounts standing to the credit of the Jargonnant Borrower Rent Account to make payments of interest on and repayments of principal under the Jargonnant Loan Agreement and all other amounts then due and owing to the lender under the Jargonnant Loan Agreement.

The German Security Trustee has sole signing rights in respect of the Jargonnant Borrower Rent Account

The Jargonnant Borrower Deposit Account

Once the required payments or repayments of interest, principal and other amounts due under the Jargonnant Loan Agreement have been made from the Jargonnant Borrower Rent Account, any amount then standing to the credit of the Jargonnant Borrower Rent Account will be released, subject to certain conditions precedent to the release of such funds being met (including the absence of the event of default under the Jargonnant Loan Agreement and the debt service coverage ratio being not less than 120 per cent.), to the Jargonnant Borrower by transferring such amount to the Jargonnant General Account. However, if the debt service coverage test prescribed under the Jargonnant Loan Agreement is less than 120 per cent., any surplus on the Jargonnant Borrower Rent Account will be paid into the Jargonnant Borrower Deposit Account.

Amounts transferred to the Jargonnant Borrower Deposit Account (as described above) that have not subsequently been applied towards debt service will, on written request by the Jargonnant Borrower, be released to the Jargonnant General Account provided that no default is outstanding at the time or would result from such transfer and that the debt service cover ratio determined in accordance with the Jargonnant Loan Agreement has been not less than 120 per cent. as at the previous two Jargonnant Loan Interest Payment Dates.

As described above, on the Jargonnant Loan Interest Payment Date following the disposal of any Jargonnant Property, the Jargonnant Release Amount shall be deposited into the Jargonnant Borrower Deposit Account and shall be applied in mandatory prepayment of principal amounts outstanding under the Jargonnant Loan Agreement.

The German Security Trustee has sole signing rights in respect of the Jargonnant Borrower Deposit Account.

The Jargonnant Operating Account

The Jargonnant Operating Account is used to fund expenses in relation to managing the Jargonnant Properties. It is itself funded from residual amounts standing to the credit of the Aareal Account, following distribution of amounts from the Aareal Account into the Jargonnant Borrower Rent Account, as described above. The Jargonnant Operating Account is controlled by the Jargonnant Borrower and the Jargonnant Property Manager.

The Jargonnant Maintenance Reserve Account

The Jargonnant Maintenance Reserve Account was funded on the First Drawdown Date in an amount equal to €1,315,000. Funds are to be released to the Jargonnant Borrower (or any relevant contractors) from the Jargonnant Maintenance Reserve Account against completion milestones in relation to maintenance repairs required to be carried out to the Jargonnant Properties. The Jargonnant Maintenance Reserve Account is controlled by the German Security Trustee.

The Jargonnant Cash Reserve Account

The Jargonnant Cash Reserve Account is controlled by the Jargonnant Borrower and is intended to be funded from the Jargonnant General Account.

All moneys received or receivable by the Jargonnant Borrower under any insurance in excess of €10,000 in respect of a Jargonnant Property shall be paid into the Jargonnant Borrower Deposit Account in accordance with the terms of the Jargonnant Loan Agreement. The proceeds of any property damage insurance shall be applied in replacement or restoration of the relevant Jargonnant Property and the proceeds of any loss of rent insurance shall be transferred to the Jargonnant Borrower Rent Account in an amount equal to that which the German Facility Agent determines would have been paid in the related interest period as rental income or, in either case but limited to insurance proceeds in excess of €15,000, and to the extent the relevant insurance policy or the relevant multifamily lease or mandatory provisions of German law or Luxembourg law do not restrict it, at the option of the German Facility Agent, in prepaying amounts owed under the Jargonnant Loan Agreement.

The Jargonnant Borrower has pledged the Aareal Account, the Jargonnant Borrower Rent Account, the Jargonnant Borrower Deposit Account, the Jargonnant General Account, the Jargonnant Operating Account and the Jargonnant Maintenance Reserve Account to the German Security Trustee.

The Jargonnant Related Security

The Jargonnant Loan has the benefit of certain security interests granted by the Jargonnant Borrower under various security documents (each a "**Jargonnant Security Document**" and together the "**Jargonnant Security Documents**") entered into by, among others, the Jargonnant Borrower on or before the origination of the Jargonnant Loan.

The Jargonnant Related Security includes, among other things:

(a) three certificated comprehensive land charges (*Gesamtgrundschulden mit Brief*) and one certificated single mortgage (*Grundschuld mit Brief*) each securing specified Jargonnant Properties or a specified Jargonnant Property, as the case may be, which together secure an aggregate amount of €57,764,709 and agreements between the Jargonnant Borrower and the German Security Trustee in respect of the security purpose of the land charges (*Sicherungszweckvereinbarungen*);

(b) an assignment and, as applicable, pledge of: (i) all present and future rental income generated by the Jargonnant Properties; (ii) all rights under each purchase agreement pursuant to which the purchase of the Jargonnant Properties occurred; and (iii) any present and future receivables originated under any sales agreement pursuant to which the Jargonnant Borrower disposes of any part of any Jargonnant Property;

(d) a pledge of shares granted by the Jargonnant Parent of its shareholding in the Jargonnant Borrower; and

(e) a pledge of the specified bank accounts granted by the Jargonnant Borrower.

The share pledge is governed by Luxembourg law. The other Jargonnant Security Documents are governed by German law.

Insurance

The Jargonnant Borrower undertakes in the Jargonnant Loan Agreement to effect or procure that the following types of insurance cover are in place:

(a) insurance of the Jargonnant Properties, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than 3 years;

(b) insurance against third party liabilities; and

(c) such other insurance as a prudent company in the business of the Jargonnant Borrower would effect.

The Jargonnant Borrower also undertakes in the Jargonnant Loan Agreement to:

(i) use its best endeavours to ensure that the German Facility Agent and German Security Trustee receive any information in connection with the insurances, and copies of each insurance policy, which they may reasonably require; and

(ii) notify the German Facility Agent and German Security Trustee of any renewal and variation or cancellation of any insurance policy made or, to the knowledge of the Jargonnant Borrower, threatened or pending;

(iii) not do or permit anything to be done which may make void or voidable any insurance policy.

If the Jargonnant Borrower fails to comply with any of its insurance related obligations, the German Security Trustee under the Jargonnant Loan Agreement may (but shall not be obliged to), at the expense of the Jargonnant Borrower, effect any insurance on behalf of the finance parties (and not in any way for the benefit of that borrower) and take such other action as the German Security Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of its obligations relating to insurance.

For further information about the Jargonnant Loan, see ‘‘Risk Factors – Factors Relating to Certain Laws – The Jargonnant Loan’’ at page 76.

THE KARSTADT KOMPAKT LOAN

Overview

The Karstadt Kompakt Loan was made pursuant to a loan agreement (the "**Karstadt Kompakt Loan Agreement**") dated 2nd September 2005 between the Originator, HIDD Berlin-Moabit B.V. and 64 other companies listed in Schedule 1 of the Karstadt Kompakt Loan Agreement (each a "**Karstadt Kompakt Borrower**" and jointly the "**Karstadt Kompakt Borrowers**") and Mercatoria Acquisition B.V. (the "**Karstadt Kompakt Parent**"). The Karstadt Kompakt Loan Agreement is governed by English law.

The Karstadt Kompakt Loan was drawn by the Karstadt Kompakt Borrowers on 5th September 2005, the principal amount drawn being in aggregate €320,000,000. The Karstadt Kompakt Loan represents the whole loan drawn by the Karstadt Kompakt Borrowers under the Karstadt Kompakt Loan Agreement. As at the Cut-Off Date, the Karstadt Kompakt Loan had a principal amount outstanding of €305,641,461.

The Karstadt Kompakt Loan is composed of 65 separate loans (one to each of the Karstadt Kompakt Borrowers). All of the loans are cross-collateralised and cross-defaulted and, in this Offering Circular, are together referred to as the Karstadt Kompakt Loan. Two of the loans comprised in the Karstadt Kompakt Loan were prepaid in full on 20th January 2006 by the relevant Karstadt Kompakt Borrowers, following disposals of the relevant Karstadt Kompakt Properties.

The Karstadt Kompakt Loan was made for the primary purposes of: (a) enabling the Karstadt Kompakt Borrowers to finance the purchase of 58 freehold department stores (the "**Karstadt Kompakt Freehold Properties**") and 7 hereditary building right department stores (*Erbbaurechte*) (the "**Karstadt Kompakt HBR Properties**") (each a "**Karstadt Kompakt Property**" and together the "**Karstadt Kompakt Properties**") located throughout North and West Germany; and (b) to finance the on-lending by the Karstadt Kompakt Borrowers of up to €30,000,000 by way of an unsecured inter-company loan to the Karstadt Kompakt Parent.

The Karstadt Kompakt Borrowers

The Karstadt Kompakt Borrowers were established contemporaneously with the Karstadt Kompakt Loan Agreement being entered into, and thus should not have any pre-existing liabilities, actual or contingent other than those relating to the Karstadt Kompakt Loan and to the relevant Karstadt Kompakt Properties. The activities of the Karstadt Kompakt Borrowers are restricted, both through appropriate negative covenants in the documentation relating to the Karstadt Kompakt Loan and, in certain cases, through appropriate restrictions in their constitutional documents, to acquiring, managing, letting and owning the relevant Karstadt Kompakt Property and to related activities.

The Karstadt Kompakt Borrowers have been established as limited purpose companies.

Subordination

The Karstadt Kompakt Borrowers may also borrow inter-company loans from the Karstadt Kompakt Parent as additional debt finance under subordinated loan agreements (the "**Karstadt Kompakt Subordinated Loan Agreements**") in connection with the financing, or the owning of the Karstadt Kompakt Properties. Payments of amounts owing in respect of the Karstadt Kompakt Subordinated Loan Agreements are expressly subordinated to payments of amounts owing in respect of the finance documents pursuant to a subordination agreement (the "**Karstadt Kompakt Subordination Agreement**" and together with the Karstadt Kompakt Loan Agreement, the related security documents and certain other documents, the "**Karstadt Kompakt Finance Documents**") between, among others, the Karstadt Kompakt Borrower, the Karstadt Kompakt Parent and the German Security Trustee.

Payment of Interest

Interest on the Karstadt Kompakt Loan is payable in arrear on a quarterly basis on 20th of January, April, July and October in each year, subject to a business day convention (each a "**Karstadt Kompakt Loan Interest Payment Date**"). The first Karstadt Kompakt Loan Interest Payment Date was on 20th October 2005.

Generally, the Karstadt Kompakt Loan is subject to a fixed interest rate. However, at the beginning of the Karstadt Kompakt Loan's term, a floating rate applies to part of the Karstadt

Kompakt Loan relating to certain Karstadt Kompakt HBR Properties. As at the Cut-Off Date, the aggregate principal amount of the Karstadt Kompakt Loan that is subject to a floating rate (the "**Karstadt Kompakt Floating Rate Portion**") is approximately €29,000,000. Upon completion of the purchase of each Karstadt Kompakt HBR Property the relevant part of the Karstadt Kompakt Floating Rate Portion (representing the allocated Loan amount in respect of the relevant Karstadt Kompakt HBR Property) will be converted into a fixed rate.

The rate of interest applicable to such part of the Karstadt Kompakt Loan for which a fixed rate has been or will be determined is the aggregate of a fixed rate and mandatory costs, if any.

The rate of interest applicable to the parts of the Karstadt Kompakt Loan which are not subject to a fixed rate as set out above is the sum of the applicable margin, EURIBOR and mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the Karstadt Kompakt Loan is repayable by the Borrowers in full on its scheduled repayment date (the "**Karstadt Kompakt Scheduled Repayment Date**"), being 20th October 2012, subject to a business day convention.

In addition, on each Karstadt Kompakt Interest Payment Date occurring from 20th January 2006 to 20th October 2012, the Karstadt Kompakt Borrowers are required to repay in part the principal amount outstanding on the Karstadt Kompakt Loan (each an "**Amortisation Instalment**" and together the "**Amortisation Instalments**"). The aggregate scheduled principal amounts repayable during the term of the Karstadt Kompakt Loan is equal to €57,600,000 of the principal amount of the Karstadt Kompakt Loan and will be reduced in the event of a disposal of a Karstadt Kompakt Property.

In addition to the obligation of the Karstadt Kompakt Borrowers to repay the principal amount of the Karstadt Kompakt Loan on the Karstadt Kompakt Scheduled Repayment Date and in part by the specified amortisation instalments, the Karstadt Kompakt Borrowers:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the Karstadt Kompakt Loan; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding of the Karstadt Kompakt Loan.

A Karstadt Kompakt Borrower may make voluntary prepayments in full or in part of the principal amount outstanding of the Karstadt Kompakt Loan after giving not less than three business days' prior written notice to the German Facility Agent. The minimum amount of any voluntary prepayment in respect of the Karstadt Kompakt Loan is €3,000,000. The voluntary prepayment shall be applied to repay the outstanding Karstadt Kompakt Loan by satisfying the obligations of the Karstadt Kompakt Borrowers on a *pro rata* basis.

A Karstadt Kompakt Borrower may also make a voluntary prepayment in relation to a single lender in the outstanding amount of the respective lender's participation in the Karstadt Kompakt Loan: (a) if it is required to deduct from any payment made in respect of the Karstadt Kompakt Loan any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the respective lender so that the lender under the Karstadt Kompakt Loan Agreement receives a net amount equal to the amount it would have received but for such deduction; (b) if the Karstadt Kompakt Borrower is required to pay to the lender any additional costs incurred by the lender as a result of advancing funds under the Karstadt Kompakt Loan Agreement; or (c) if the respective lender claims indemnification from a Karstadt Kompakt Borrower under the tax indemnity or the increased cost provisions in the Karstadt Kompakt Loan Agreement.

Each Karstadt Kompakt Borrower, if it disposes of a Karstadt Kompakt Property, and the Karstadt Kompakt Parent, if it disposes of the shares in a Karstadt Kompakt Borrower, must make a prepayment of the principal amount outstanding of the Karstadt Kompakt Loan in an amount (the "**Karstadt Kompakt Disposal Release Amount**") equal to 115 per cent. of the allocated loan amount relating to the relevant Karstadt Kompakt Properties, or, as the case may be, of the Karstadt Kompakt Properties owned by the relevant Karstadt Kompakt Borrower in which the shares were disposed of. The Karstadt Kompakt Borrowers must also prepay a lender's participation in the Karstadt Kompakt Loan in full if it becomes unlawful for a lender to perform its obligations under the Karstadt Kompakt Loan.

If, on 20th April 2006 (the "**HBR Completion Date**"), completion in relation to one or more of the Karstadt Kompakt HBR Properties has not occurred, the German Security Trustee shall apply the funds standing to the credit of the Karstadt Kompakt Reserve Account equal to the aggregate of the cash collateral loan amounts for those Karstadt Kompakt HBR Properties that have not completed by such date in or towards the prepayment of the Karstadt Kompakt Loan.

If the Karstadt Kompakt Borrowers make a voluntary or mandatory prepayment of the principal amount outstanding of the Karstadt Kompakt Loan, they may be required to pay certain prepayment fees. However, under the terms of the Karstadt Kompakt Loan Agreement, prepayment fees will not be payable if the prepayment is made as a result of a lender's performance of its obligations having become illegal or due to the occurrence of the scenarios set out under items (a) to (c) above.

Any prepayment by a Karstadt Kompakt Borrower of the Karstadt Kompakt Loan will be applied, if made as a voluntary prepayment, against the allocated loan amounts (as specified in the Karstadt Kompakt Loan Agreement) for each Karstadt Kompakt Property at the relevant time on a *pro rata* basis or, in the case of a mandatory prepayment, against the allocated loan amount for the Karstadt Kompakt Property concerned and any balance shall be applied in or towards reducing the allocated loan amounts of the remaining Karstadt Kompakt Properties on a *pro rata* basis.

Property Disposal

The Karstadt Kompakt Borrowers are prohibited, under the terms of the Karstadt Kompakt Loan Agreement, from disposing of the whole or any part of its assets. This restriction does not apply, however, to the disposal by the Karstadt Kompakt Borrower of its interest in a Karstadt Kompakt Property if certain conditions are met. These include the condition that the net disposal proceeds are paid directly into the Karstadt Kompakt Disposal Proceeds Account and the majority lenders, in principle, are satisfied that the relevant property is not being disposed of at less than its open market value (as determined by the latest valuation prior to the drawdown date of the Karstadt Kompakt Loan).

Bank Accounts

Pursuant to the provisions of the Karstadt Kompakt Loan Agreement, the Karstadt Kompakt Borrowers must ensure that HIDD Berlin-Tegel B.V. (the "**Karstadt Kompakt Account Borrower**") maintains with the designated branch of the account bank, ABN AMRO Bank N.V. in the Netherlands, certain bank accounts (together, the "**Karstadt Kompakt Control Accounts**"), being the "**Karstadt Kompakt Borrower Rent Account**", the "**Karstadt Kompakt Deposit Account**", the "**Karstadt Kompakt Disposal Proceeds Account**", the "**Karstadt Kompakt Service Charge Account**", the "**Karstadt Kompakt Reserve Account**", the "**Karstadt Kompakt Capex Reserve Account**" and the "**Karstadt Kompakt General Account**".

The functions of the Karstadt Kompakt Control Accounts are described in more detail below.

Karstadt Kompakt Borrower Rent Account

Each Karstadt Kompakt Borrower will ensure that all Rental Income from the Karstadt Kompakt Properties after deducting all service charge proceeds (including amounts received in respect of ground rent in relation to all HBR Property) and any amount which represents VAT in respect of such Rental Income (the "**Karstadt Kompakt Net Rental Income**") is paid into the Karstadt Kompakt Borrower Rent Account. On each Karstadt Kompakt Loan Interest Payment Date, the German Security Trustee shall apply the amounts standing to the credit of the Karstadt Kompakt Borrower Rent Account towards payments of interest on and repayments of principal, of the Karstadt Kompakt Loan and all other amounts then due and owing to the lenders in accordance with the priorities of payment set out in the Karstadt Kompakt Loan Agreement.

If no event of default is continuing, once the above payments are made in accordance with the priorities of payment, any amount then standing to the credit of the Karstadt Kompakt Borrower Rent Account will be transferred to the Karstadt Kompakt Borrower Deposit Account provided that (a) the debt service cover ratio prescribed under the Karstadt Kompakt Loan Agreement is less than 150 per cent. for the current or commencing interest period and the next three interest periods and (b) the loan to value ratio prescribed under the Karstadt Kompakt Loan Agreement is not greater than 70 per cent. on that date and the previous Karstadt Kompakt Loan Interest Payment Date. Otherwise, the amounts standing to the credit of the Karstadt Kompakt Borrower Rent Account shall be transferred to the Karstadt Kompakt Capex Reserve Account.

Karstadt Kompakt Borrower Deposit Account

The German Security Trustee shall promptly transfer amounts standing to the credit of the Karstadt Kompakt Borrower Deposit Account (with the exception of certain amounts designated for payment of real estate transfer tax as described below) to the Karstadt Kompakt Borrower Rent Account if (a) the debt service cover ratio prescribed under the Karstadt Kompakt Loan Agreement is not less than 150 per cent. and (b) the loan to value ratio prescribed under the Karstadt Kompakt Loan Agreement is not greater than 70 per cent. on that date. The amounts then shall be applied in accordance with the priorities of payment described above set out in the Karstadt Kompakt Loan Agreement.

On the drawdown date of the Karstadt Kompakt Loan, an amount of €9,975,000 was paid, from the proceeds of the Karstadt Kompakt Loan, into the Karstadt Kompakt Borrower Deposit Account to be used to pay real estate transfer tax relating to the Karstadt Kompakt Properties in accordance with the Karstadt Kompakt Loan Agreement.

Karstadt Kompakt Disposal Proceeds Account

Upon the disposal of a Karstadt Kompakt Property, a Karstadt Kompakt Borrower will pay the proceeds of such disposal (less any reasonable costs relating to such disposal) into the Karstadt Kompakt Disposal Proceeds Account. On each Karstadt Kompakt Loan Interest Payment Date, the German Security Trustee shall withdraw such amount standing to the credit of the Karstadt Kompakt Disposal Proceeds Account and may apply this amount in or towards (and in the order of) (a) payment of all break adjustments or other break costs for the period until 10th January 2006, as specified in the Karstadt Kompakt Loan Agreement, (b) payment of all other costs, fees and expenses due and payable to the lenders, (c) mandatory prepayment of the Karstadt Kompakt Loan in an amount equal to the relevant Karstadt Kompakt Disposal Release Amount and (d) in respect of any surplus not otherwise required, if a default is continuing, prepayment of the Karstadt Kompakt Loan up to the amount of the surplus or, if no default is continuing, payment of the surplus into the Karstadt Kompakt Capex Reserve Account.

Karstadt Kompakt Reserve Account

Upon utilisation of the Karstadt Kompakt Loan, the German Facility Agent paid the proceeds of such Loan, being €320,000,000, less certain amounts deducted, into the Karstadt Kompakt Reserve Account. If completion occurs in relation to a Karstadt Kompakt Property, the German Security Trustee shall withdraw from the Karstadt Kompakt Reserve Account the relevant amount in respect of that Karstadt Kompakt Property and pay it to the account of the vendors or as otherwise specified in accordance with the Karstadt Kompakt Loan Agreement. As at 16th March 2006, the balance of the Karstadt Kompakt Reserve Account was €29,315,890. Amounts standing to the credit of the Karstadt Kompakt Reserve Account and which relate to Karstadt Kompakt Properties for which Completion has not occurred on the relevant HBR Completion Date shall be applied by the German Security Trustee in or towards the prepayment of the Karstadt Kompakt Loan.

Karstadt Kompakt Capex Reserve Account

Any excess cash remaining after the payment or transfer (if applicable) of those amounts payable or transferable out of the Karstadt Kompakt Borrower Rent Account as defined in "Karstadt Kompakt Borrower Rent Account" above shall be swept into the Karstadt Kompakt Capex Reserve Account on each Karstadt Kompakt Loan Interest Payment Date. As at 16th March 2006, the balance of the Karstadt Kompakt Capex Reserve Account was €15,079,761.

If no event of default is continuing, amounts standing to the credit of the Karstadt Kompakt Capex Reserve Account can be withdrawn by the German Security Trustee and applied towards payment of, among other things, certain taxes, costs relating to environmental defects or concerns (limited in time) or costs and expenses directly incurred by certain works as detailed in a side letter to the Karstadt Kompakt Loan Agreement (the "**Karstadt Kompakt Works**"). If and to the extent the Karstadt Kompakt Works have been completed in the manner as specified in the Karstadt Kompakt Loan Agreement and the German Facility Agent is satisfied that sufficient funds are standing to the credit of the Karstadt Kompakt Capex Reserve Account for any future works and, furthermore, any material environmental defects or concerns are remedied to the satisfaction of the German Facility Agent, any surplus will be paid into the Karstadt Kompakt General Account.

In case of an event of default which is continuing, the German Security Trustee can withdraw and apply amounts towards repayment of all obligations secured by the Karstadt Kompakt Related Security in accordance with the applicable payment waterfall.

Karstadt Kompakt General Account

Provided no event of default is continuing, the Karstadt Kompakt Borrowers may make withdrawals from the Karstadt Kompakt General Account which can be applied in or towards any purpose permitted under the Karstadt Kompakt Loan Agreement and related finance documents. If an event of default is continuing, the German Security Trustee may give notice to the relevant account bank that any withdrawal from the Karstadt Kompakt General Account requires the German Security Trustee's prior written consent.

The German Security Trustee has sole signing rights in respect of the Karstadt Kompakt Borrower Deposit Account, the Karstadt Kompakt Reserve Account, the Karstadt Kompakt Disposal Proceeds Account, the Karstadt Kompakt Capex Reserve Account and the Karstadt Kompakt Borrower Rent Account. The Karstadt Kompakt Account Borrower and Cushman & Wakefield Healey & Baker (the "**Karstadt Kompakt Managing Agent**") shall have signing rights on the Karstadt Kompakt Service Charge Account. However, if an event of default is continuing and the German Security Trustee gives notice, the German Security Trustee shall have sole signing rights in respect of the Karstadt Kompakt Service Charge Account. The Karstadt Kompakt Account Borrower shall have signing rights on the Karstadt Kompakt General Account but, if an event of default is continuing, the German Security Trustee shall have sole signing rights in respect of it.

The Karstadt Kompakt Borrower has pledged the Karstadt Kompakt Control Accounts to the German Security Trustee.

Guarantee

The Karstadt Kompakt Loan Agreement contains a guarantee given by the Karstadt Kompakt Borrowers to, among others, each lender under the Karstadt Kompakt Loan Agreement. Under the guarantee, among other things, each Karstadt Kompakt Borrower guarantees punctual performance by each other Karstadt Kompakt Borrower of all its obligations under the Karstadt Kompakt Loan Agreement and related finance documents and furthermore undertakes to pay amounts due and owed by a Karstadt Kompakt Borrower as if it was the principal obligor.

The Karstadt Kompakt Related Security

The security for the Karstadt Kompakt Loan (the "**Karstadt Kompakt Related Security**") includes, among other things:

(a) a first ranking certificated consolidated mortgage (*Gesamtbriefgrundschuld*) over the Karstadt Kompakt Properties securing an aggregate amount of €320,000,000;

(b) agreements between the Karstadt Kompakt Borrowers and the German Security Trustee in respect of the security purpose of the mortgages (*Sicherungszweckvereinbarungen*);

(c) security assignments of the relevant Karstadt Kompakt Borrowers' rights and claims under lease agreements relating to the Karstadt Kompakt Properties;

(d) pledges over the Karstadt Kompakt Control Accounts;

(e) security assignments of the relevant Karstadt Kompakt Borrowers' rights and claims under the insurance policies relating to the Karstadt Kompakt Properties;

(f) share pledges over the shares held by the Karstadt Kompakt Parent in each Karstadt Kompakt Borrower; and

(g) security assignments of rights and claims under a property purchase agreement dated 5th September 2005 relating to the Karstadt Kompakt Properties and a trade tax letter provided by Karstadt Quelle AG to Mercatoria Germany Holding GmbH.

The security documents creating the Karstadt Kompakt Related Security are either governed by German, Dutch or English law.

Insurance

The Karstadt Kompakt Borrowers undertake, in the Karstadt Kompakt Loan Agreement to effect or procure that the following types of insurance cover are in place:

(a) insurance of the Karstadt Kompakt Properties (including fixtures) against loss or damage together with insurance against loss of rent for a period of not less than 3 years;

(b) insurance in respect of construction and development risks;

(c) insurance against acts of terrorism in respect of the Karstadt Kompakt Properties; and

(d) insurance against third party and public liability risks.

The Karstadt Kompakt Borrowers also undertake, on becoming aware of any subsidence in respect of a Karstadt Kompakt Property, to effect and maintain mining insurance in respect of that Karstadt Kompakt Property in a form and substance satisfactory to the German Facility Agent.

The Karstadt Kompakt Borrower further undertakes in the Karstadt Kompakt Loan Agreement to:

(a) use all reasonable endeavours to ensure that the German Security Trustee receives any information in connection with the insurances, and copies of each insurance policy, which the German Security Trustee may reasonably require;

(b) notify the German Security Trustee of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the Karstadt Kompakt Borrower, threatened or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the Karstadt Kompakt Borrower fails to comply with any of its insuring obligations, the German Security Trustee may (but shall not be obliged to), at the expense of the Karstadt Kompakt Borrower, effect or renew any insurance in its own name (and not in any way for the benefit of that Karstadt Kompakt Borrower).

For further information relating to the Karstadt Kompakt Loan, see ''Risk Factors – Factors Relating to Certain Loans – The Karstadt Kompakt Loan'' at page 76.

THE PROCOM LOAN

Overview

The Procom Loan was made by the Originator to Deltalux Holdings GP S.à. r.l. & Co Objekt Bleckede KG, Deltalux Holdings GP S.à. r.l. & Co. Objekt Erfurt KG, Deltalux Holdings GP S.à. r.l. & Co Objekt Garding KG, Deltalux Holdings GP S.à. r.l. & Co Objekt Ludwigslust KG, Deltalux Holdings GP S.à. r.l. & Co Objekt Neumünster KG, Deltalux Holdings GP S.à. r.l. & Co Objekt Pohlheim KG and, Deltalux Holdings GP S.à. r.l. & Co. Objekt Schortens KG and Deltalux Holdings GP S.à. r.l. & Co. Objekt Uetze KG ("**Procom Borrower 8**") (each a "**Procom Borrower**" and together, the "**Procom Borrowers**") pursuant to a loan agreement (the "**Procom Loan Agreement**") dated 31st August, 2005 and amended on 2nd February 2006. The Procom Loan Agreement is governed by English law.

The principal amount drawn by the Procom Borrowers under the Procom Loan Agreement was €66,806,041, each of the Procom Borrowers drawing a specified advance, each advance constituting a single loan. All of the loans drawn by the Procom Borrowers under the Procom Loan Agreement are cross-collateralised and cross-defaulted and, in this Offering Circular, are together referred to as the Procom Loan. The Procom Loan is a Senior Loan and, as at the Cut-Off Date, had a principal amount outstanding €60,705,120.

The Procom Loan was made for the purpose of enabling the Procom Borrowers to finance the purchase of eight multi-tenanted retail properties located throughout Germany (each a "**Procom Property**" and together the "**Procom Properties**"), each Procom Borrower purchasing a single Procom Property, using the proceeds advanced to it under the Procom Loan Agreement. All of the Procom Properties are located in Germany and are comprised of retail properties. The main occupational tenant of the Procom Properties is Metro AG and various of its subsidiaries.

The Procom Borrowers

The Procom Borrowers were established as German limited liability corporations or partnerships, with its centre of administration (*tatsächlicher Verwaltungssitz*) in Germany. The Procom Borrowers have, as a matter of fact, moved their centres of administration to Luxembourg.

Each of the Procom Borrowers have in the Procom Loan Agreement, given representations as to the non-existence of pre-existing liabilities, actual or contingent, other than those relating to the Procom Loans and to the relevant Procom Properties.

Further, each of the Procom Borrowers have represented, in the Procom Loan Agreement, that its business is restricted to acquiring, managing, letting and owning the Procom Properties and to related activities consistent with the Procom Finance Documents, so as to ensure that its exposure to liabilities was minimised to those relating to the Procom Loans and the relevant Procom Property and have undertaken, again in the Procom Loan Agreement, not to substantially change the general nature of their business as a whole from that carried out by them at the date of the Procom Loan Agreement.

The Procom Borrowers have been established as limited purpose companies.

Subordination

Under the Procom Loan Agreement, the Procom Borrowers are required to provide for a subordination of certain liabilities (the "**Procom Junior Liabilities**") incurred by the Procom Borrowers to certain affiliates (the "**Procom Junior Creditors**") pursuant to a subordination agreement (the "**Procom Subordination Agreement**") between, among others, the Procom Borrowers, the Originator and the Procom Junior Creditors.

Payments of amounts owing in respect of the Procom Junior Liabilities are subordinated to payments of amounts owing under the Procom Loan Agreement, related security documents and certain other documents connected therewith (together with the Procom Subordination Agreement, the "**Procom Finance Documents**") save to the extent expressly provided for under the Procom Subordination Agreement.

Payment of Interest

Interest on the Procom Loan is payable in arrear on a quarterly basis on 20th of January, April, July and October in each year, subject to a business day convention (each a "**Procom Loan Interest Payment Date**" and together the "**Procom Loan Interest Payment Dates**"). The first

Procom Loan Interest Payment Date was on 20th October 2005 (or, in relation to the advance borrowed by Procom Borrower 8, will be on 20th April 2006.

The interest rate applicable to the Procom Loans is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The obligations of each of the Procom Borrowers under each of the Procom Finance Documents (the "**Procom Secured Obligations**") shall be paid and discharged no later than 20th October 2010 or 20th April 2010 in relation to the advance borrowed by Procom Borrower 8 (each, a "**Procom Scheduled Repayment Date**").

On 20th October 2007 (or, in relation to the advance borrowed by Procom Borrower 8, 20th April 2008) and thereafter on each subsequent Procom Loan Interest Payment Date, the amounts drawn under the Procom Loan Agreement shall be repaid in an amount equal to €780,962.20 each year (or, in relation to the advance borrowed by Procom Borrower 8, in an annual amount of €54,113.81 from 20th April 2008 to 20th January 2010 and in an amount €27,056.66 per quarter thereafter) on each Procom Loan Interest Payment Date thereafter (each a "**Procom Amortisation Instalment**" and together, the "**Procom Amortisation Instalments**"). Each Procom Amortisation Instalment shall be applied to and shall reduce the principal amount outstanding under each of the Procom Loans on a *pro rata* basis.

In addition to the obligation of the Procom Borrowers to repay the amounts outstanding under the Procom Finance Documents on the relevant Procom Scheduled Maturity Date and as required in relation to the Procom Amortisation Instalments, the Procom Borrowers:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding under the Procom Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding of under the Procom Loan Agreement.

The Procom Borrowers may make voluntary prepayments in full or in part of the principal amount outstanding under the Procom Loan Agreement upon giving not less than ten business days' prior written notice to the German Facility Agent. The minimum amount of any voluntary prepayment in respect of any Procom Loan is €1,000,000. The voluntary prepayment shall be applied to repay the relevant Procom Loan in a manner and order agreed by the lenders under the Procom Loan Agreement and the related finance parties.

The Procom Borrowers may also make a voluntary prepayment and cancel a Procom Loan in relation to a single lender in the outstanding amount of that lender's participation in the relevant Procom Loan:

(a) if it is required to make any withholding (and corresponding gross-up) in respect of any amount payable to the Procom Finance Parties in respect of a Procom Loan; or

(b) if the lender claims indemnification from a Procom Borrower under the tax indemnity or the increased cost rules contained in the Procom Loan Agreement;

(and in the case of (a) and (b)) if, and for so long as, the same are continuing, or

(c) if the lender notifies the German Facility Agent of its additional cost rate as specified in the Procom Loan Agreement and if, and for so long as such additional cost rate is rate is greater than zero.

The Procom Borrowers are required to repay the amounts drawn under the Procom Loan Agreement if it becomes unlawful for a lender to continue to fund the Procom Loans or any of them.

In addition, each Procom Borrower, if it disposes of a Procom Property, shall apply an amount equal to 115 per cent. of the applicable amount allocated to that Procom Property in the Procom Loan Agreement in or towards prepayment and discharge of the Procom Secured Obligations. Subject to other provisions in the Procom Finance Documents, proceeds in excess of the required repayment amount may be freely dealt with by the Procom Borrowers.

Any prepayments of amounts drawn under the Procom Loan Agreement other than a mandatory prepayment triggered by a disposal of a Procom Property or an event of default under the Procom Loan Agreement are to be applied to reduce each of the Procom Loans at the relevant time on a *pro rata* basis. Mandatory prepayments triggered by a disposal of a Procom Property or

following the occurrence of an event of default under the Procom Loan Agreement are expressed to be applied in or towards reducing the principal amount outstanding of the Procom Loan made to the relevant Procom Borrower to zero and thereafter, any balance, in or towards reducing the principal amounts outstanding of the other Procom Loans on a *pro rata* basis, in each case in inverse chronological order of maturity.

Any prepayment under the Procom Loan Agreement shall be made together with accrued interest on the amount prepaid, any applicable Break Adjustment and the relevant prepayment fee.

Property Disposal

Each Procom Borrower is prohibited, under the terms of the Procom Loan Agreement, from disposing of the whole or any part of its assets. This restriction does not apply, however, to the disposal by a Procom Borrower of its interest in a Procom Property if certain conditions are met. These include the condition that the net amount available for payment to the German Facility Agent will be at least 115 per cent. of the allocated loan amount of the relevant Procom Property being disposed of or if less, is the amount of the Procom Secured Obligations then outstanding. Upon the sale of a Procom Property, the Procom Borrower will pay the proceeds of such sale into the Rental Income Account, as described further below, to be applied in or towards prepayment of the Procom Loans in accordance with the terms of Procom Loan Agreement.

Bank Accounts

Under the terms of the Procom Loan Agreement, each Procom Borrower is required to open and maintain a separate "**Procom Borrower Rent Account**", a "**Procom Borrower Deposit Account**" and a "**Procom General Account**" (together, the "**Procom Control Accounts**") and a "**Procom Service Charge Account**". The Procom General Accounts are maintained by the Procom Borrowers with ING Luxembourg S.A.. The Procom Borrower Deposit Accounts, the Procom Service Charge Accounts and the Procom Borrower Rent Accounts are maintained by the Procom Borrowers with HSBC Trinkhaus & Burkhardt KgaA. (together with ING Luxembourg S.A., the "**Procom Account Banks**" and each a "**Procom Account Bank**").

The Procom Service Charge Accounts

Each of the Procom Borrowers is required, under the Procom Loan Agreement, to ensure that the following amounts are paid into the relevant Procom Service Charge Account:

(a) all service charge proceeds arising in respect of the Procom Properties (the "**Procom Service Charge Proceeds**");

(b) all rental income arising in respect of the Procom Properties after deducting all Procom Service Charge Proceeds and any amount which represents VAT chargeable in respect of such rental income (the "**Procom Net Rental Income**"); and

(c) certain other amounts related to the occupational leases relating to the Procom Properties.

Each of the Procom Borrowers is also required to ensure that the Procom Net Rental Income, after it is so paid into the relevant Procom Service Charge Account, is on-paid to the relevant Procom Borrower Rent Account.

The Procom Borrower Rent Accounts

Each of the Procom Borrowers is required, under the Procom Loan Agreement, to ensure that any break adjustments arising under the Procom Loan Agreement are promptly paid directly into the relevant Procom Borrower Rent Account.

Each of the Procom Borrowers is also required, under the Procom Loan Agreement, to ensure that all proceeds from disposals of the Procom Properties are promptly paid directly into the relevant Procom Borrower Rent Account.

On each Procom Loan Interest Payment Date, the German Security Trustee shall withdraw, from each Procom Borrower Rent Account, the amounts standing to the credit of such Procom Borrower Rent Account on a *pro rata* basis for application in accordance with the priority of payments specified in the Procom Loan Agreement. Under such priority of payments, if no event of default under the Procom Loan Agreement has occurred and is continuing and the German Facility Agent receives a payment insufficient to discharge all amounts due and payable, the German Facility Agent shall the apply the amount, in the following order, to make:

(a) payment of any unpaid costs, fees and expenses (including VAT) due to the lenders under the Procom Loan Agreement and any related finance party under the terms of the Procom Finance Documents;

(b) payment of all accrued interest, costs, fees and expenses (including VAT) due and payable to the lenders under the terms of the Procom Finance Documents;

(c) payment to the lenders of Procom Amortisation Instalments due and payable under the terms of the Procom Loan Agreement;

(d) if the debt service cover ratio, determined in accordance with the Procom Loan Agreement, is less than 130 per cent., the balance standing to the credit of the Procom Borrower Rent Accounts shall be credited to the Procom Borrower Deposit Accounts; and

(e) any surplus not otherwise required to be applied under the Procom Finance Documents shall be paid to the Procom Borrower General Account.

The Procom Borrower Deposit Accounts

Each of the Procom Borrowers is required, under the Procom Loan Agreement, to ensure that certain amounts determined in accordance with the Procom Loan Agreement are promptly paid directly into the Procom Borrower Deposit Accounts.

If no event of default has occurred and is continuing under the Procom Loan Agreement and if the debt service cover ratio, determined in accordance with the Procom Loan Agreement, is not less than 130 per cent. for two consecutive calendar quarters, the German Security Trustee shall, upon receipt of a duly completed request, transfer the amounts standing to the credit of the relevant Procom Borrower Deposit Account to the relevant Procom Borrower Rent Account.

The Procom General Accounts

Unless an event of default under the Procom Loan Agreement has occurred and is continuing, the Procom Borrowers may make withdrawals from the Procom General Accounts which can be applied in or towards any purpose permitted under the Procom Finance Documents. If an event of default is continuing, the German Security Trustee may give notice to the Procom Account Bank that any withdrawal from the Procom Borrower General Account requires the German Security Trustee's prior written consent.

The German Security Trustee has sole signing rights in respect of the Procom Borrower Deposit Accounts and the Procom Borrower Rent Accounts. The managing agent, required to be a reputable firm of professional agents appointed by the Procom Borrowers as managing agent in relation to the Procom Properties (the "**Procom Managing Agent**"), has signing rights in respect of the Procom Service Charge Accounts though if an event of default under the Procom Loan Agreement has occurred and is continuing, the German Security Trustee shall have sole signing rights over the Procom Service Charge Accounts. The Procom Borrowers have signing rights in respect of the Procom General Accounts though if an event of default under the Procom Loan Agreement has occurred and is continuing, the German Security Trustee shall have sole signing rights over the Procom General Accounts.

The Procom Related Security

The security for the Procom Loan (the "**Procom Related Security**") includes, among other things:

(a) a first ranking certificated consolidated mortgage (*Gesamtgrundschuld mit Brief*) including submission to immediate enforcement, in the amount of €62,500,000 (plus annual interest of 15 per cent. per annum and non-recurrent ancillary costs of 10 per cent.) granted by the Procom Borrowers over the Procom Properties. Each of the Procom Borrowers has granted a mortgage in respect of the Procom Property which is owned by it;

(b) security assignments of the relevant Procom Borrowers' rights and claims under lease agreements relating to the Procom Properties;

(c) first ranking pledges over the Control Accounts;

(d) security assignments of the relevant Procom Borrowers' rights and claims under certain insurance policies relating to the Procom Properties;

(e) security assignments of the Procom Borrower's rights and claims under property purchase agreements, each entered into by the Procom Borrowers to purchase the Procom Properties (the "**Property Purchase Agreements**"); and

(f) share pledges over the interests held by Deltalux Holdings LP S.à. r.l, ("**Deltalux LP**"), being the limited partner in each of the Procom Borrowers, and by Deltalux LP in Deltalux Holdings GP S.à. r.l ("**Deltalux GP**"), being the general partner in each of the Procom Borrowers.

The security documents creating the Procom Related Security are either governed by German law, English law or the laws of Luxembourg, depending on the asset over which security has been granted.

Insurance

The Procom Borrowers undertake in the Procom Loan Agreement to effect or procure, that the following types of insurance cover are in place:

(a) insurance of the Procom Properties, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than three years;

(b) insurance against third party and public liability risks; and

(c) insurance against acts of terrorism.

The Procom Borrowers further undertake in the Procom Loan Agreement to:

(a) use all reasonable endeavours to ensure that the German Security Trustee receives any information in connection with the insurances, and copies of each insurance policy, which the German Facility Agent may reasonably require;

(b) notify the German Security Trustee of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the Procom Borrowers, threatened or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the Procom Borrowers fail to comply with any of its insurance related obligations, the German Security Trustee may (but shall not be obliged to), at the expense of the Procom Borrowers, effect or review any insurance in its own name (and not in any way on behalf of the Procom Borrowers).

For further information about the Procom Loan, see "Risk Factors – Factors Relating to Certain Loans – The Procom Loan" at page 77.

THE SCHMEING LOAN

Overview

The Schmeing Loan was made by the Originator pursuant to the following loan agreements:

(a) a loan agreement (the "**Lyran Loan Agreement**") between the Originator and Lyran Holding GmbH (the "**Lyran Borrower**") dated 26th August 2005; and

(b) a loan agreement (the "**Borken Loan Agreement**") between the Originator and R. Schmeing GmbH Projektentwicklung (the "**Borken Borrower**" and together with the Lyran Borrower, the "**Schmeing Borrowers**") dated 19 th September 2005.

The Lyran Loan Agreement and the Borken Loan Agreement are together referred to in this Offering Circular as the "**Schmeing Loan Agreement**". Each of the Schmeing Loan Agreements are governed by English law.

The Lyran Borrower drew an amount of €6,906,250 (the "**Lyran Loan**") under the Lyran Loan Agreement and the Borken Borrower drew an amount of €3,831,946 (the "**Borken Loan**") under the Borken Loan Agreement. The Lyran Loan and the Borken Loan are together referred to in this Offering Circular as the "**Schmeing Loan**".

The Schmeing Loan represents the whole loan drawn by the Schmeing Borrowers under the Schmeing Loan Agreement. As at the Cut-Off Date, the Schmeing Loan had a principal amount outstanding of €10,644,237.

The Lyran Loan was made for the purpose of enabling the Lyran Borrower to acquire two properties (the "**Lyran Properties**") and the Borken Loan was made for the purpose of enabling the Borken Borrower to refinance its obligations in respect of a single property (the "**Borken Property**" and together with the Lyran Properties, the "**Schmeing Properties**"). Each of the Schmeing Properties is a shopping centre located in Western Germany.

The Schmeing Borrowers

The Lyran Borrower was established contemporaneously with the Lyran Loan being made. Thus, the Lyran Borrower should not have any pre-existing liabilities, actual or contingent, arising out of historic operations. The Borken Borrower was established in 1969 and a corporate review by accountants confirmed that the Borken Borrower does not have any significant pre-existing liabilities, actual or contingent.

The activities of the Schmeing Borrowers are also restricted, through, in both cases, appropriate negative covenants in the Schmeing Loan Agreement to acquiring, financing, holding and managing the relevant real property, so as to ensure that their exposure to liabilities is minimised to those relating to the Schmeing Loan and the Schmeing Properties. To this extent, the Schmeing Borrowers were either incorporated as, or have been converted into, limited purpose companies.

Subordination

The Schmeing Borrowers have also entered into loan agreements with their sponsors and Investec Bank (UK) Limited (the "**Mezzanine Lender**") under which those sponsors and the Mezzanine Lender provided additional debt finance to the Schmeing Borrowers (the "**Schmeing Subordinated Loan Agreements**") in connection with the financing of the Schmeing Properties. Payments of amounts owing in respect of the Schmeing Subordinated Loan Agreements (with the exception of payments in respect of three VAT loans in an aggregate amount of €84,143, to the extent paid out of VAT refunds credited to the relevant Borrower's General Account) are expressly subordinated to payments of amounts owing in respect of the Schmeing Loan pursuant to an intercreditor agreement (the "**Schmeing Intercreditor Agreement**" and together with the Schmeing Loan Agreement and the Schmeing Security Agreements, the "**Schmeing Finance Documents**") between, among others, the Schmeing Borrowers, the German Security Trustee and the various lenders.

Payment of Interest

Interest on the Schmeing Loan is payable in arrear on a quarterly basis on the 20th of January, April, July and October, subject to a business day convention (each a "**Schmeing Loan Interest Payment Date**" and together the "**Schmeing Loan Interest Payment Dates**").

The rate of interest applicable to the Schmeing Loan is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the Schmeing Loan is repayable by the Schmeing Borrowers in full on the scheduled maturity date of that loan, being 20th October 2012 (the "**Schmeing Scheduled Maturity Date**").

In addition, on each Schmeing Loan Interest Payment Date occurring after each drawdown of the Schmeing Loan to but excluding the Schmeing Scheduled Maturity Date thereof, the Schmeing Borrowers are required to repay in part the principal amount outstanding of the Schmeing Loan. The scheduled principal amounts repayable during the term of the Schmeing Loan is a relatively small percentage of the principal amount of that Loan. Accordingly, the aggregate principal amount outstanding of the Schmeing Loan on the Schmeing Scheduled Maturity Date is expected to be €9,422,767.

In addition to the obligation of the Schmeing Borrowers to repay the principal amount of the Schmeing Loan on the Schmeing Scheduled Maturity Date and in part on the specified Schmeing Loan Interest Payment Dates, each Schmeing Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding in respect of its loan; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding in respect of its loan.

Each Schmeing Borrower may make voluntary prepayments in full or in part of the principal amount outstanding in respect of its loan on any Schmeing Loan Interest Payment Date. The minimum amount of any voluntary prepayment by a Schmeing Borrower is €500,000 or, if less, the outstanding amount of its loan. Each Schmeing Borrower may also make a voluntary prepayment in full of the principal amount outstanding of its loan if it is required to deduct from any payment made in respect of its loan any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the lender so that the lender receives a net amount equal to the amount it would have received but for such deduction, or if a Schmeing Borrower is required to pay to the lender any additional costs incurred by the lender as a result of the Schmeing Loan having been made.

Each Schmeing Borrower must make a prepayment in full or in part, as applicable, of the principal amount outstanding of its loan if it sells any Schmeing Property it owns. Each Schmeing Borrower must also prepay the relevant loan in full if it becomes unlawful for the lender to perform its obligations under the relevant Schmeing Loan Agreement or if, in certain circumstances, there is a change in control of that Schmeing Borrower or its holding company.

If a Schmeing Borrower makes a voluntary prepayment or a mandatory prepayment of the principal amount outstanding of its loan, it may be required to pay certain prepayment fees to the lender. However, under the terms of the Schmeing Loan Agreement, prepayment fees will not be repaid in relation to prepayments made after a certain date specified therein.

Any voluntary prepayment or a mandatory prepayment under the Schmeing Loan and made by a Schmeing Borrower, will be applied against the principal amount outstanding under the Schmeing Loan Agreement.

Property Disposal

No Schmeing Property may be sold unless the German Facility Agent is satisfied that the proceeds from the sale of that Schmeing Property will be at least equal to an amount equal to 120 per cent. of the relevant release price for that Schmeing Property set out in the Schmeing Loan Agreement (the "**Schmeing Release Amount**"). Upon the sale of any Schmeing Property, the relevant Schmeing Borrower will pay the proceeds of such sale (less any reasonable costs relating to such sale) into the Schmeing Borrower Deposit Account, as described below (provided that amounts which are to be deposited are capped at the Schmeing Release Amount). On the Schmeing Loan Interest Payment Date following the disposal of any such Schmeing Property, the proceeds of such sale deposited into the relevant Schmeing Borrower Deposit Account shall be applied in mandatory prepayment of the Schmeing Loan.

No substitutions of property are permitted under the Schmeing Loan Agreement.

Bank Accounts

A managing agent (the "**Schmeing Property Manager**") has been appointed by the Schmeing Borrowers in respect of the Schmeing Loan Agreement. The Schmeing Property Manager has opened a bank account in its own name ("**Schmeing Property Manager Rent Account**").

In addition, pursuant to the Schmeing Loan Agreement, each Schmeing Borrower maintains a "**Schmeing Borrower Rent Account**", a "**Schmeing Borrower Deposit Account**" and a "**Schmeing General Account**". The bank account structure for the Lyran Loan and the Borken Loan follows the same format and is described in more detail below.

The Schmeing Property Manager Rent Account

All rental income owing to the Schmeing Borrowers in respect of the Schmeing Properties is paid directly into the Schmeing Property Manager Rent Account.

The Schmeing Property Manager has undertaken, no later than the earlier of five business days after receipt and three business days prior to the next Schmeing Loan Interest Payment Date, to pay all rental income less tenant contributions, tenant association contributions and any portion of rental payments allocable to value added tax (such net rental income in respect of a Schmeing Property being, "**Schmeing Net Rental Income**") received by it together with interest accrued thereon into the relevant Schmeing Borrower Rent Account (there is a separate account for each Schmeing Borrower and each such account relates to the Schmeing Properties owned by the relevant Schmeing Borrower).

Only moneys representing rental income in respect of the Schmeing Properties may be paid into the Schmeing Property Manager Account and such account must be held with a suitably rated bank.

The Schmeing Borrower Rent Accounts

On each Schmeing Loan Interest Payment Date, the German Security Trustee, will apply the amounts standing to the credit of the Schmeing Borrower Rent Accounts to make payments of interest on and repayments of principal, of the Lyran Loan and the Borken Loan (as applicable) and all other amounts then due and owing to the Originator under the Schmeing Loan Agreement.

The Schmeing Borrower Deposit Accounts

Once the required payments or repayments of interest, principal and other amounts due under the Schmeing Loan Agreement have been made from the Schmeing Borrower Rent Accounts, any amount then standing to the credit of the Schmeing Borrower Rent Accounts will be released, subject to certain conditions precedent to the release of such funds being met (including the absence of an event of default under the Schmeing Loan Agreement and the applicable debt service cover ratio being not less than 140 per cent.), to the relevant Schmeing Borrower by transferring such amount to the relevant Schmeing General Account. However, if the debt service cover ratio in respect of the Lyran Loan or the Borken Loan (as applicable) is less than 140 per cent., any surplus on the relevant Schmeing Borrower Rent Account will be paid into the relevant Schmeing Borrower Deposit Account.

Any surplus amounts paid from a Schmeing Borrower Rent Account into a Schmeing Borrower Deposit Account (as described above) that have not subsequently been applied towards debt service will, on written request by the Schmeing Borrower, be released to the relevant Schmeing General Account provided that no default is outstanding at the time or would result from such transfer and that the debt service cover ratio determined in accordance with the Schmeing Loan Agreement has been not less than 110 per cent. as at the previous two Schmeing Loan Interest Payment Dates.

If the debt service cover ratio in respect of the Lyran Loan or the Borken Loan (as applicable) on any relevant test date (being the date of disposal of a Schmeing Property, the date of a prepayment of a Schmeing Loan and each Schmeing Loan Interest Payment Date) is less than 145 per cent. but greater than 125 per cent., the relevant Schmeing Borrower shall procure that all Schmeing Net Rental Income in respect of the relevant Schmeing Properties is deposited into the relevant Schmeing Borrower Deposit Account. Such amounts, after payment of interest due under the Lyran Loan or the Borken Loan (as applicable) (and payment of all fees, costs and expenses under the Schmeing Loan Agreement required to made in priority thereto), shall be applied in prepayment of the relevant loan on the next following Schmeing Loan Interest Payment Date.

If, on a Schmeing Loan Interest Payment Date, no event of default is continuing or would be remedied by such payment, the German Facility Agent must, at the request of a Schmeing Borrower, apply any amount from the relevant Schmeing Borrower Deposit Account (other than amounts deposited in accordance with the paragraph above) in prepayment of the Lyran Loan or the Borken Loan (as applicable) (in a minimum amount of €500,000).

As described above, on the disposal of any Schmeing Property, the relevant Schmeing Borrower will deposit the sale proceeds less reasonable costs relating to such sale into the relevant Schmeing Borrower Deposit Account (provided that such amounts deposited are capped at the Schmeing Release Amount) and, on the Schmeing Loan Interest Payment Date following the disposal, such amounts shall be applied in mandatory prepayment of the Lyran Loan or the Borken Loan (as applicable).

All amounts received by the Schmeing Borrowers under any insurance policy held by the Schmeing Borrowers in respect of a Schmeing Property shall be paid into the relevant Schmeing Borrower Deposit Account in accordance with the terms of the Schmeing Loan Agreement. The proceeds of any property damage insurance shall be applied in replacement or restoration of any Schmeing Property and the proceeds of any loss of rent insurance shall be transferred to the relevant Schmeing Borrower Rent Account in an amount equal to that which the German Facility Agent determines would have been paid in the related interest period as rental income or, in either case, to the extent the relevant insurance policy and any occupational leases do not restrict it, at the option of the German Facility Agent, in prepaying the Lyran Loan or the Borken Loan (as applicable).

The German Security Trustee has sole signing rights in respect of the Schmeing Borrower Rent Accounts and the Schmeing Borrower Deposit Accounts. Each Schmeing Borrower has pledged its Schmeing Borrower Rent Account, its Schmeing Borrower Deposit Account and its Schmeing General Account to the German Security Trustee.

The Schmeing Related Security

The Schmeing Loan has the benefit of certain security granted by the Schmeing Borrowers under various security documents.

The related security in respect of the Lyran Loan (the "**Lyran Related Security**") includes, among other things:

(a) one certificated consolidated mortgage (*Gesamtgrundschuld mit Brief*) in respect of the Lyran Property (including the related hereditary building right) located in Hamburg and one certificated single mortgage (*Grundschuld mit Brief*), in respect of the Lyran Property located in Recklinghausen, in an aggregate amount of €7,386,500 and agreements between the Lyran Borrower and the German Security Trustee in respect of the security purpose of the mortgages (*Sicherungszweckvereinbarungen*);

(b) an assignment and, as applicable, pledge of: (i) all present and future rental income generated by the Lyran Properties; (ii) all rights under each purchase agreement pursuant to which the purchase of the Lyran Properties occurred; (iii) any present and future receivables originated under any sales agreement pursuant to which the Lyran Borrower disposes of any part of the Lyran Properties; and (iv) any present and future receivables from insurance claims relating to the Lyran Properties;

(c) a pledge of shares over the shares of the Lyran Borrower;

(d) a pledge of the specified bank accounts granted by the Lyran Borrower; and

(e) a guarantee granted by the Borken Borrower, in favour of the German Security Trustee in respect of the Lyran Borrower and its obligations under the Lyran Loan.

The security documents creating the Lyran Related Security are governed by German law.

The related security in respect of the Borken Loan (the "**Borken Related Security**") includes, among other things:

(a) a certificated single mortgage (*Grundschuld mit Brief*) in respect of the Borken Property in an amount of €3,831,946 and agreements between the Borken Borrower and the German Security Trustee in respect of the security purpose of the mortgage (*Sicherungszweckvereinbarung*);

(b) an assignment and, as applicable, pledge of: (i) all present and future rental income generated by the Borken Property; (ii) all rights under each purchase agreement pursuant to which the purchase of the Borken Property occurred; (iii) any present and future receivables originated under any sales agreement pursuant to which the Borken Borrower disposes of any part of the Borken Property; and (iv) any present and future receivables from insurance claims relating to the Borken Property;

(c) a pledge of shares granted by the Lyran Borrower of its shareholding in the Borrower (which amounts to 94% of the shares issued in respect of the Borken Borrower);

(d) a pledge of the specified bank accounts granted by the Borrower; and

(e) a guarantee granted by the Lyran Borrower in favour of the German Security Trustee in respect of the Borken Borrower and its obligations under the Borken Loan.

The security documents creating the Borken Related Security are governed by German law.

As the Lyran Loan and the Borken Loan are cross-collateralised, the security granted in respect of each loan also secures the other loan.

Insurance

Each Schmeing Borrower undertakes to effect or procure, that the following types of insurance cover are in place:

(a) insurance of the relevant property, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than 3 years;

(b) insurance against third party liabilities;

(c) insurance against acts of terrorism, which coverage includes loss of rent on the relevant property for a minimum stipulated period as well as rebuilding costs; and

(d) such other insurance as a prudent company in the business of the relevant Schmeing Borrower would effect.

Each Schmeing Borrower also undertakes to:

(i) use all reasonable endeavours to ensure that the German Facility Agent and German Security Trustee receive any information in connection with the insurances, and copies of each insurance policy, which they may reasonably require;

(ii) notify the German Facility Agent or the German Security Trustee of any renewal and variation or cancellation of any insurance policy made or, to the knowledge of the relevant Schmeing Borrower, threatened or pending; and

(iii) not do or permit anything to be done which may make void or voidable any insurance policy.

If a Schmeing Borrower fails to comply with any of its insuring obligations, the German Security Trustee may (but shall not be obliged to), at the expense of the relevant Schmeing Borrower, effect any insurance on behalf of the finance parties and take such other action as the German Security Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of a Schmeing Borrower's obligations relating to insurance.

For further information about the Schmeing Loan, see ''Risk Factors – Factors relating to Certain Loans – The Schmeing Loan'' at page 78.

THE TIAGO LOAN

Overview

The Tiago Loan was made pursuant to a loan agreement (the "**Tiago Loan Agreement**") dated 10th November 2005 between the Originator and Tiago German Properties GmbH & Co. KG (the "**Tiago Borrower**"). The Tiago Loan Agreement is governed by English law.

Under the Tiago Loan Agreement, the Originator made available a facility in an aggregate amount of up to €325,800,000. Each of the loans drawn by the Tiago Borrower under the Tiago Loan Agreement are cross-collateralised and cross-defaulted and, in this Offering Circular, are together referred to as the Tiago Loan.

The Tiago Loan represents the whole loan drawn by the Tiago Borrower under the Tiago Loan Agreement. As at the Cut-Off Date, the Tiago Loan had a principal amount outstanding of €217,200,000.

The Tiago Loan was made for the purpose of enabling the Tiago Borrower to part-finance the purchase of three freehold office properties (each a "**Tiago Property**" and together the "**Tiago Properties**"), located in Frankfurt am Main and Berlin, Germany.

The Tiago Borrower

The Tiago Borrower was established prior to the Tiago Loan Agreement being entered into, and has given representations on the date of the Tiago Loan Agreement that its business is restricted to acquiring, managing, letting and owning the Tiago Properties and to related activities consistent with the Tiago transaction documents, so as to help ensure that its exposure to liabilities is minimised to those relating to the Tiago Loan and the relevant Tiago Property. Furthermore, the Tiago Borrower undertakes not to substantially change the general nature of its business as a whole from that carried out at the date of the Tiago Loan Agreement.

The Tiago Borrower was established as a limited purpose entity.

Interest

Interest on the Tiago Loan is payable in arrear on a quarterly basis on 20th of January, April, July and October in each year, subject to a business day convention (each an "**Tiago Loan Interest Payment Date**"). The first Tiago Loan Interest Payment Date was 20th January 2006.

The interest rate applying to the Tiago Loan is the sum of a fixed rate plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the Tiago Loan is repayable by the Tiago Borrower in full on the scheduled maturity date of the Tiago Loan, being 20th January 2013 (the "**Tiago Scheduled Maturity Date**").

In addition to the obligation of the Tiago Borrower to repay and discharge the Tiago Loan on the Tiago Scheduled Maturity Date, the Tiago Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the Tiago Loan; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding of the Tiago Loan.

The Tiago Borrower may make voluntary prepayments in full or in part of the principal amount outstanding of the Tiago Loan after not less than three business days' prior written notice to the German Facility Agent. The minimum amount of any voluntary prepayment in respect of the Tiago Loan is €5,000,000 or, if less, the outstanding amount of relevant loan comprised in the Tiago Loan. The Tiago Borrower may also make a voluntary prepayment in relation to a single lender in the outstanding amount of the respective lender's participation in the Tiago Loan: (a) if it is required to deduct from any payment made in respect of the Tiago Loan any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the respective lender so that the lender under the Tiago Loan Agreement receives a net amount equal to the amount it would have received but for such deduction; (b) if the Tiago Borrower is required to pay to the lender any additional costs incurred by the lender as a result of advancing funds under the Tiago

Loan Agreement; or (c) if the respective lender claims indemnification from a Tiago Borrower under the tax indemnity or the increased cost provisions in the Tiago Loan Agreement.

In addition, the Tiago Borrower, if it disposes of a Tiago Property, shall apply an amount equal to 110 per cent. of the applicable amount allocated to that Tiago Property in the Tiago Loan Agreement in or towards prepayment of the Tiago Loan. Subject to the other provisions of the Tiago Loan Agreement and related finance documents, proceeds in excess of the required repayment amount shall be freely disposable by the Tiago Borrower.

The Tiago Borrower must also prepay the relevant Tiago Loan in full if it becomes unlawful for the lender to perform its obligations under the Tiago Loan Agreement or if, in certain circumstances, there is a change in control of the Tiago Borrower.

Any prepayment under the Tiago Loan Agreement shall be made together with accrued interest on the amount prepaid and any applicable Break Adjustment calculated as at the next Tiago Loan Interest Payment Date and the relevant prepayment fee to the German Facility Agent, if applicable.

Any prepayments other than a mandatory prepayment triggered by a disposal of a Tiago Property or an event of default are expressed to be applied to reduce the Tiago Loan at the relevant time. Mandatory prepayments are expressed to be applied in or towards reducing the relevant loan to zero and thereafter, any balance, in or towards reducing the outstanding amounts of the other loans comprised in the Tiago Loan on a *pro rata* basis.

Bank Accounts

The Tiago Borrower maintains separate bank accounts, being the "**Tiago Borrower Rent Account**" the "**Tiago Borrower Deposit Account**", the "**Tiago General Account**" and the "**Tiago Disposal Proceeds Account**" and the "**Tiago Service Charge Account**" (together the "**Tiago Control Accounts**"). The aforementioned accounts are maintained with HSBC Trinkhaus & Burkhardt KG&A (the "**Tiago Account Bank**").

The functions of the Tiago Control Accounts are described in more detail below.

The Tiago Borrower Rent Account

The Tiago Borrower will ensure that the following amounts are paid into the Tiago Borrower Rent Account:

(a) all net rental income in respect of the Tiago Properties after deducting all service charge proceeds and any amount that represents VAT chargeable in respect of such rental income (the "**Tiago Net Rental Income**"); and

(b) any Break Adjustments paid to the Tiago Borrower by a lender under the Tiago Loan Agreement.

On each Tiago Loan Interest Payment Date, if no event of default is continuing and the German Facility Agent receives a payment insufficient to discharge all amounts due and payable, the German Security Trustee shall withdraw the amounts standing to the credit of the Tiago Borrower Rent Account for application in the following order: (a) any unpaid ground rent due under any lease out of which the Tiago Borrower derives its interest in any Tiago Property; (b) payment of any unpaid costs, fees and expenses (including VAT) due and payable to the German Security Trustee or the German Facility Agent; (c) payment of all accrued interest, costs, fees and expenses (including VAT) due and payable to the lenders under the Tiago Loan Agreement and related finance documents; (d) payment to the lenders under the Tiago Loan Agreement and related finance parties of all other secured obligations which are due and payable; (e) if the debt service cover ratio determined in accordance with the Tiago Loan Agreement is less than 200 per cent. and the loan to market value ratio determined in accordance with the Tiago Loan Agreement is greater than 75 per cent., the balance standing to the credit of the Tiago Borrower Rent Account will be credited to the Tiago Borrower Deposit Account; (f) an amount required to pay any German real property transfer tax determined by the German Facility Agent will be credited to the Tiago Borrower Deposit Account; and (vii) any surplus will be credited to the Tiago General Account.

The Tiago Borrower Deposit Account

If, at any time, the loan to market value ratio determined in accordance with the Tiago Loan Agreement is greater than 75 per cent., then the Tiago Borrower shall, within 30 days of the date of the relevant valuation:

(a) pay an amount into the Tiago Borrower Deposit Account which is necessary to ensure that the sum of such amount and the outstanding amount of the Tiago Loans is not more than 75 per cent. of the aggregate open market value of the Tiago Properties as determined by the most recent valuation; or

(b) prepay the Tiago Loan in an amount which is necessary to ensure that the amount of the Tiago Loan outstanding under after such prepayment is not more than 75 per cent. of the aggregate open market value of the Tiago Properties as determined by the most recent valuation.

If, during any two consecutive interest periods, the debt service cover ratio determined in accordance with the Tiago Loan Agreement is not less than 200 per cent. and the loan to market value ratio determined in accordance with the Tiago Loan Agreement is not greater than 75 per cent. On the second Tiago Loan Interest Payment Date, the German Security Trustee shall transfer the amounts standing to the credit of the Tiago Borrower Deposit Account to the Tiago Borrower Rent Account. In addition, the German Security Trustee may withdraw from the Tiago Borrower Deposit Account such amount deposited or required to be applied on account of German real property transfer tax payable by the Tiago Borrower in respect of any Tiago Property or in the event of any change of control.

The Tiago Disposal Proceeds Account

The Tiago Borrower will ensure that all disposal proceeds of Tiago Properties (after deducting (a) any direct costs and expenses incurred by the Tiago Borrower and approved in writing by the German Facility Agent and (b) any VAT charged on such disposal) are paid into the Tiago Disposal Proceeds Account.

On each Tiago Loan Interest Payment Date, the German Facility Agent shall withdraw such amount standing to the credit of the Tiago Disposal Proceeds Account and may apply this amount in or towards (and in the order of) (a) payment of all break adjustments, (b) payment of costs, fees and expenses (including VAT) due and payable to the lenders under the Tiago Loan Agreement and related finance documents, (c) mandatory prepayment of the Tiago Loan and (d) in respect of any surplus not otherwise required, if a default is continuing, prepayment of the Tiago Loan up to the amount of the surplus or, if no default is continuing, payment of the surplus to the Tiago General Account.

The Tiago Service Charge Account

The Tiago Borrower will ensure that the service charge proceeds in respect of the Tiago Properties (the "**Tiago Service Charge Proceeds**") are paid into the Tiago Service Charge Account.

The Tiago General Account

Unless an event of default is continuing, the Tiago Borrower may make withdrawals from the Tiago General Account which can be applied in or towards any purpose permitted under the Tiago Loan Agreement and related finance documents. If an event of default is continuing, the German Security Trustee may give notice to the Tiago Account Bank that any withdrawal from the Tiago General Account requires the German Security Trustee's prior written consent.

While no event of default is continuing, the Tiago Borrower may instruct the Tiago Account Bank to utilise the sums standing to the credit of the Tiago Borrower Rent Account, the Tiago Borrower Deposit Account and the Tiago Disposal Proceeds Account to in invest in cash deposits with a bank which has a sufficient short term, unsecured, unguaranteed and unsubordinated rating or is otherwise acceptable to the German Facility Agent and provided that certain further conditions are met.

The German Security Trustee has sole signing rights in respect of the Tiago Borrower Rent Account, the Tiago Borrower Deposit Account and the Tiago Disposal Proceeds Account. The managing agent in relation to the Tiago Properties (the "**Tiago Managing Agent**") has signing rights on the Tiago Service Charge Account provided that, if an event of default is continuing, the Tiago Security Trustee shall have sole signing rights over this account.

The Tiago Borrower has signing rights on the Tiago General Account, subject to the giving of notice to the Tiago Account Bank at such time. The German Security Trustee shall have sole signing rights if an event of default is continuing. The Tiago Borrower has pledged the Tiago Control Accounts (except the Tiago Service Charge Account) for the benefit of the lenders under the Tiago Loan Agreement and related finance parties.

The Tiago Related Security

The related security in respect of the Tiago Loan (the "**Tiago Related Security**") includes, among other things:

(a) a first ranking German law certificated consolidated mortgage (*Gesamtgrundschuld mit Brief*) including submission to immediate enforcement, in the amount of €358,380,000 (plus annual interest of 16 per cent. per annum and non-recurrent ancillary costs of ten per cent.) over the Tiago Properties. The submission to immediate enforcement is limited to ten per cent of the mortgage amount but the German Security Trustee has been granted a power of attorney to increase the amount under certain circumstances;

(b) security assignments of the Tiago Borrower's rights and claims under lease agreements relating to the Tiago Properties (the "**Tiago Leases**");

(c) first ranking pledges over the Tiago Control Accounts (except the Tiago Service Charge Accounts);

(d) security assignments of the Tiago Borrower's rights and claims under certain insurance policies relating to the Tiago Properties;

(e) security assignments of the Tiago Borrower's rights and claims under a property purchase agreement entered into by the Tiago Borrower to purchase the Tiago Properties (the "**Tiago Property Purchase Agreement**"); and

(f) pledges over the interests in the Tiago Borrower held by Rubicon 1. Beteiligungs GmbH and Rubicon 2. Beteiligungs GmbH, (each being a general partner in the Tiago Borrower) and by Rubicon Asset GmbH & Co. KG (being the silent partner in the Tiago Borrower).

DBRE (the limited partner with Tiago Borrower) has not pledged its 5% interest in the Tiago Borrower.

The security documents creating the Tiago Related Security are governed by German law.

Insurance

The Tiago Borrower undertakes to maintain the following insurances in respect of the Tiago Properties:

(a) insurance of the Tiago Properties, including trade and other fixtures, against loss or damage by, among other things, fire, storm, tempest, flood, earthquake, lightning and explosion including insurance against loss of rent for a period of not less than three years;

(b) insurance in respect of construction and development risks;

(c) insurance against acts of terrorism; and

(d) insurance against third party and public liability risks.

The Tiago Borrower further undertakes in the Tiago Loan Agreement to:

(a) use all reasonable endeavours to ensure that the German Security Trustee receives any information in connection with the insurances, and copies of each insurance policy, which the German Security Trustee may reasonably require;

(b) notify the German Security Trustee of any renewal and material variation or cancellation of any insurance policy made or, to the knowledge of the Tiago Borrower, threatened or pending; and

(c) not do or permit anything to be done which may make void or voidable any insurance policy.

If the Tiago Borrower fails to comply with any of its insuring obligations, the German Security Trustee may (but shall not be obliged to), at the expense of the Tiago Borrower, effect or renew any insurance in its own name (and not in any way for the benefit of that Tiago Borrower).

For further information about the Tiago Loan, see ‘‘Risk Factors – Factors Relating to Certain Loans – The Tiago Loan’’ at page 79.

THE SWISS LOAN

The Coop Loan

Overview

The Coop Loan was made by the Originator to Swissdeal Properties S.à. r.l. (the "**Coop Borrower**") pursuant to a loan agreement (the "**Coop Loan Agreement**") dated 27th October 2005 and as amended by amending agreements dated 27th October 2005 and 28th November 2005. The Coop Loan agreement is governed by English law. The amounts available under the Coop Loan Agreement were drawn in three tranches in the following amounts:

(a) a tranche in an amount of CHF 174,993,384.22 (the "**Coop A Tranche**");

(b) a tranche in an amount of CHF 5,986,615.78 (the "**Coop B Tranche**"); and

(c) a tranche in an amount of CHF 5,526,000 (the "**Coop C Tranche**" and, together with the Coop A Tranche and the Coop B Tranche, the "**Coop Tranches**").

The Coop A Tranche and the Coop B Tranche were both drawn on 27th October 2005 (the "**Coop Tranche A/B Utilisation Date**"). The Coop C tranche was drawn on 28th November 2005 (the "**Coop Tranche C Utilisation Date**") and, together with the Coop Tranche AIB Utilisation Date, the "**Coop Utilisation Dates**")

The aggregate principal amount drawn by the Coop Borrower under the Coop Loan Agreement was CHF 186,506,000. The Coop Loan is a Senior Loan and, as at the Cut-Off Date, had a principal amount outstanding of CHF170,100,000.

The amounts drawn under the Coop Loan Agreement were applied by the Coop Borrower for the purpose of enabling it to acquire a portfolio of 45 properties (each a "**Coop Property**" and together the "**Coop Properties**"). The Coop Properties are retail properties, located in 13 Cantons throughout Switzerland. One of the Coop Properties (located in Geneva-Servette) is held on a ground lease. The relevant ground lease was granted from 25th June 1973 until 24th June 2072.

A managing agent has been appointed by the Coop Borrower in accordance with the Coop Loan Agreement (the "**Coop Property Manager**") to manage the Coop Properties. The Coop Property Manager has also entered into a property management agreement (the "**Coop Management Agreement**") with the Swiss Facility Agent acknowledging the interests of the lender under the Coop Loan Agreement.

The Coop Borrower

The Coop Borrower is a private company with limited liability (*société à responsabilité limitée*) domiciled in Luxembourg.

The Coop Borrower was established contemporaneously with the Coop A Tranche being drawn, and thus did not have any pre-existing liabilities, actual or contingent prior to this time. The activities of the Coop Borrower are restricted, though undertakings under the Coop Loan Agreement to acquiring, financing, holding and managing the Coop Properties, so as to ensure that its exposure to liabilities is minimised to those relating to the Coop Loan Agreement and the Coop Properties.

Subordination

The Coop Borrower may also enter into loan agreements with its parent company under which its parent company may provide additional debt finance to the Coop Borrower (the "**Coop Subordinated Loan Agreements**") in connection with the financing of the Coop Properties. Payments of amounts owing in respect of the Coop Subordinated Loan Agreements are expressly subordinated to payments of amounts owing under the Coop Loan Agreement pursuant to a subordination agreement (the "**Coop Subordination Agreement**") between, among others, the Coop Borrower, the German Security Trustee and the relevant lender.

Payment of Interest

Interest on the Coop Loan is payable in arrear on a quarterly basis on the 20th of January, April, July and October, subject to a business day convention (each a "**Coop Loan Interest Payment Date**" and together the "**Coop Loan Interest Payment Dates**").

The rate of interest applicable to the Coop Loans is the sum of a fixed rate, plus mandatory costs, if any.

Repayment and Prepayment of Principal

The principal amount outstanding of the Coop Loan is repayable by the Borrower in full on its scheduled maturity date, as prescribed by the Coop Loan Agreement, being 20th January 2013 (the "**Coop Scheduled Maturity Date**").

In addition, the Coop Borrower shall repay in respect of each Coop Tranche and on each Coop Loan Interest Payment Date occurring:

(a) from and including 20th April 2006 up to but excluding 20th January 2007, an amount equal to the product of 0.125 per cent. of the Coop Notional Outstanding Tranche Amount on that Coop Loan Interest Payment Date;

(b) from and including 20th January 2007 up to but excluding 20th January 2009, an amount equal to the product of 0.25 per cent. of the Coop Notional Outstanding Tranche Amount on that Coop Loan Interest Payment Date;

(c) from and including 20th January 2009 up to but excluding 20th January 2012, an amount equal to the product of 0.625 per cent. of the Coop Notional Outstanding Tranche Amount on that Coop Loan Interest Payment Date;

(e) from and including 20th January 2012 of an amount equal to the product of 0.65625 per cent. of the Coop Notional Outstanding Tranche Amount on that Coop Loan Interest Payment Date.

For the purposes of this section:

"**Coop Notional Outstanding Tranche Amount**" means in respect of a Coop Tranche, on any date, an amount equal to:

(a) the amount of the Coop Tranche drawdown on the relevant Coop Utilisation Date; minus

(b) the aggregate of any Coop Notional Disposal Proceeds in respect of the Coop Properties relating to that Coop Tranche that have been received by the Coop Borrower since the relevant Coop Loan Utilisation Date.

"**Coop Notional Disposal Proceeds**" means, in respect of any Coop Property disposed of by the Coop Borrower in accordance with the Coop Loan Agreement, the amount equal to the relevant allocated loan amount (calculated in accordance with the Coop Loan Agreement in respect of the relevant Coop Property as at the relevant disposal date of that Coop Property).

The scheduled principal amounts repayable during the term of the Coop Loan Agreement is a relatively small percentage of the principal amount drawn under the Coop Loan Agreement and accordingly the amount outstanding of the Coop Loan on the Coop Scheduled Maturity Date is expected to be CHF 148,837,500.

In addition to the obligation of the Coop Borrower to repay the principal amount owing under the Coop Loan Agreement on Coop Scheduled Maturity Date and in part on the specified Coop Loan Interest Payment Dates, the Coop Borrower:

(a) may, under certain circumstances, make voluntary prepayments, in full or in part, of the principal amount outstanding of the Coop Loan Agreement; and

(b) must, under certain circumstances, make mandatory prepayments, in full or in part, of the principal amount outstanding under the Coop Loan Agreement.

The Coop Borrower may make voluntary prepayments in full or in part of the principal amount outstanding under the Coop Loan Agreement on any Coop Loan Interest Payment Date. The minimum amount of any such voluntary prepayment is CHF 500,000 or, if less, the outstanding amount under the Coop Loan Agreement. The Coop Borrower may also make a voluntary prepayment in full of the principal amount outstanding under the Coop Loan Agreement if it is required to deduct from any payment made in respect of the Coop Loan any amount for or on account of any tax, and is consequently required to "gross-up" a payment to the lender so that the lender under the Coop Loan Agreement receives a net amount equal to the amount it would have received but for such deduction, or if the Coop Borrower is required to pay to the lender any

additional costs incurred by the lender as a result of advancing funds under the Coop Loan Agreement.

The Coop Borrower must make a prepayment in full or in part, as applicable, of the principal amount outstanding under the Coop Loan Agreement if it sells a Coop Property or all of the Coop Properties. The Coop Borrower must also prepay the amount outstanding under the Coop Loan Agreement in full if it becomes unlawful for the lender to perform its obligations under the Coop Loan Agreement or if, in certain circumstances, there is a change in control of the Coop Borrower or its holding company.

If the Coop Borrower makes a voluntary prepayment or a mandatory prepayment of the principal amount outstanding under the Coop Loan Agreement, it may be required to pay certain prepayment fees to the lender. However, under the terms of the Coop Loan Agreement, prepayment fees will not be payable in relation to prepayments made after a certain date specified therein.

Any voluntary prepayment or a mandatory prepayment made by the Coop Borrower under the Coop Loan Agreement will be applied against the principal amount outstanding under the Coop Loan Agreement .

Property Disposal

No Coop Property may be sold unless the Swiss Facility Agent is satisfied that the proceeds from the sale of that Coop Property will be at least equal to an amount equal to 110 per cent. (although, this may rise to 115 per cent in accordance with the Coop Loan Agreement) multiplied by the relevant release price for the Coop Property set out in the Coop Loan Agreement (the "**Release Amount**"). Upon the sale of any Coop Property, the Coop Borrower will pay the Coop Release Amount of such sale into the Coop Borrower Deposit Account, as further described below (provided such amount deposited is capped at the Release Amount). On the Coop Loan Interest Payment Date following the disposal of any such Coop Property, the proceeds of such sale deposited into the Borrower Deposit Account shall be applied in mandatory prepayment of principal amounts outstanding under the Coop Loan Agreement.

Bank Accounts

Pursuant to the Coop Loan Agreement, the Coop Borrower maintains the "**Coop Property Management Account**", the "**Coop Borrower Rent Account**", the "**Coop Borrower Deposit Account**", the "**Coop Maintenance Reserve Account**" and the "**Coop General Account**". The bank account structure is described in more detail below.

The Coop Property Manager Account

All rental income payable to the Coop Borrower in respect of the Coop Properties is paid directly into the Coop Property Management Account.

The Coop Property Manager and Coop Borrower have undertaken to procure that not later than the earlier of five business days after receipt and three business days prior to the next Coop Loan Interest Payment Date after receipt, the Coop Property Manager transfers all rental income less tenant contributions, tenant association contributions and any portion of rental payments allocable to value added tax (such net rental income in respect of a Coop Property being, "**Coop Net Rental Income**") together with any interest accrued thereon into the Coop Borrower Rent Account.

The Coop Borrower Rent Account

On each Coop Loan Interest Payment Date, the Swiss Facility Agent, will apply the amounts standing to the credit of the Coop Borrower Rent Account to make payments of interest on and repayments of principal under the Coop Loan Agreement and all other amounts then due and owing to the lender under the Coop Loan Agreement.

The Coop Borrower may, during an interest period under the Coop Loan Agreement, request the Swiss Facility Agent to release funds from the Coop Borrower Rent Account to the Coop General Account. The Swiss Facility Agent may only release funds to the Coop Borrower if certain conditions precedent are met (including the absence of the event of default under the Coop Loan Agreement, the absence of a Coop Registration Default or a Coop Environmental Remediation Default, the debt service cover ratio being not less than 115 per cent., the Coop Maintenance Improvements not being overdue and the Coop Borrower having met its reporting obligations under

the Coop Loan Agreement). In any event, any such amount transferred from the Coop Borrower Rent Account shall be determined by the Swiss Facility Agent such that the amount retained in the Coop Borrower Rent Account following the transfer will be sufficient to make the payments due under the Coop Loan Agreement on the next Coop Loan Interest Payment Date. The Coop Borrower may only make one such request to withdraw funds from the Coop Borrower Rent Account in each interest period under the Coop Loan Agreement.

The Coop Borrower Deposit Account

If, on any Coop Loan Interest Payment Date: (a) the debt service coverage test prescribed under the Coop Loan Agreement is less than 115 per cent.; or (b) the Swiss Facility Agent has not received, after the relevant escrow closing date specified in the Coop Loan Agreement, a land registry extract and mortgage certificates in respect of a Coop Property (a "**Coop Registration Default**") has occurred and is continuing; or (c) the Coop Borrower defaults in its environmental remediation obligations under the Coop Loan Agreement in respect of the relevant Coop Properties (a "**Coop Environmental Remediation Default**") has occurred and is continuing, any surplus amounts in the Coop Borrower Rent Account (after payment of interest and principal due under the Coop Loan Agreement and payment of all fees, costs and expenses under the Coop Loan Agreement required to made in priority thereto) will be paid into the Coop Borrower Deposit Account.

Any surplus amounts paid from the Coop Borrower Rent Account into the Coop Borrower Deposit Account (as described above) that have not subsequently been applied towards debt service or towards environmental remediation in respect of the Coop Properties will, on written request by the Coop Borrower, be released to the Coop General Account provided that: (a) no default is outstanding at the time or would result from such transfer; (b) no Coop Registration Default has occurred and is continuing; (c) no Coop Environmental Remediation Default has occurred and is continuing; and (d) the debt service cover ratio determined in accordance with the Coop Loan Agreement has been not less than 115 per cent., in each case, as at the previous two Coop Loan Interest Payment Dates.

If any amount is credited to the Coop Borrower Deposit Account in respect of an Environmental Remediation Default, the Swiss Facility Agent will, on written request from the Coop Borrower, transfer a requested sum to the Coop General Account, provided that: (a) the Coop Borrower can demonstrate that there remain adequate funds in the Coop Borrower Deposit Account to complete any environmental remediation works in respect of the relevant Coop Properties; and (b) the Coop Borrower delivers to the Coop Facility Agent an invoice in respect of environmental remediation works relating to the relevant Swiss Properties that have been completed that is at least equal to the amounts requested to be withdrawn.

If the loan to value ratio determined in accordance with the Coop Loan Agreement is, at any time, greater than 92.1 per cent. but does not exceed 95 per cent., the Coop Borrower may remedy the breach by either prepaying the principal amounts drawn under the Coop Loan Agreement in an amount sufficient to ensure that the loan to value ratio is less than or equal to 92.1 per cent. or depositing in the Coop Borrower Deposit Account an amount sufficient to ensure that, if such amount were deducted from the principal amounts drawn under the Coop Loan Agreement, the loan to value ratio would be less than or equal to 92.1 per cent.

If the debt service cover ratio in respect of the Coop Loan on any relevant test date (being the date of disposal of a Coop Property, the date of a prepayment under the Coop Loan Agreement and each Coop Loan Interest Payment Date) is less than 125 per cent. but greater than 105 per cent., the Coop Borrower shall procure that all Coop Net Rental Income is deposited into the Coop Borrower Deposit Account. Such amounts, after payment of interest and principal due under the Coop Loan Agreement (and payment of all fees, costs and expenses under the Coop Loan Agreement required to made in priority thereto), shall be applied in prepayment of the principal amounts outstanding under the Coop Loan Agreement on the next following Coop Loan Interest Payment Date.

If, on a Coop Loan Interest Payment Date, no event of default is continuing or would be remedied by such payment, the Swiss Facility Agent must, at the request of the Coop Borrower, apply any amount from the Coop Borrower Deposit Account (other than amounts deposited in respect of the debt service cover ratio in accordance with the paragraph above) in prepayment of principal amounts outstanding under the Coop Loan Agreement (in a minimum amount of CHF 1,000,000).

As described above, on the disposal of any Coop Property, the Coop Borrower will deposit the Coop Release Amount relating to such sale into the Coop Borrower Deposit Account and, on the Coop Loan Interest Payment Date following the disposal, such amounts shall be applied in mandatory prepayment of principal amounts outstanding under the Coop Loan Agreement.

The Coop Maintenance Reserve Account

The Coop Maintenance Reserve Account will, to the extent that funds are credited to this account (as described below), be available to fund certain maintenance improvements (the "**Coop Maintenance Improvements**") to the Coop Properties cited in a report prepared on behalf of the lender at the time that the Coop Loan was made.

If the Coop Borrower has not completed the Coop Maintenance Improvements prior to 27th October 2006, on each subsequent Coop Loan Interest Payment Date until the Coop Maintenance Improvements have been completed, any surplus amounts in the Coop Borrower Rent Account (after payment of interest and principal due under the Coop Loan Agreement, payment of all fees, costs and expenses under the Coop Loan Agreement required to made in priority thereto and payment of any mounts required to be paid into the Coop Borrower Deposit Account as described above) will be paid into the Coop Maintenance Reserve Account.

The Swiss Facility Agent will, on written request from the Coop Borrower, transfer a requested amount from the Coop Maintenance Reserve Account to the Coop General Account provided that the Coop Borrower can demonstrate that there remain adequate funds in the Coop Maintenance Reserve Account to pay for all Coop Maintenance Improvements and/or the Coop Borrower can deliver to the Swiss Facility Agent an invoice in respect of the Coop Maintenance Improvements that have been completed or will be completed (within the next calendar month) that is at least equal to the amounts requested to be withdrawn.

Upon successful completion of the Coop Maintenance Improvements, the Swiss Facility Agent shall transfer any funds remaining in the Coop Maintenance Reserve Account to the Coop General Account.

All moneys received or receivable by the Coop Borrower under any insurance in respect of a Coop Property shall be paid into the Coop Borrower Deposit Account in accordance with the terms of the Coop Loan Agreement. The proceeds of any property damage insurance shall be applied in replacement or restoration of the relevant Coop Property and the proceeds of any loss of rent insurance shall be transferred to the Coop Borrower Rent Account in an amount equal to that which the Swiss Facility Agent determines would have been paid in the related interest period as rental income or, and to the extent the relevant insurance policy or the relevant commercial lease or mandatory provisions of Swiss law or Luxembourg law do not restrict it, at the option of the Swiss Facility Agent, in prepaying amounts owed under the Coop Loan Agreement.

The Swiss Facility Agent has sole signing rights in respect of the Coop Borrower Rent Account, the Coop Borrower Deposit Account and the Coop Maintenance Reserve Account. The Swiss Facility Agent has sole signing rights in respect of the Coop Property Management Account. In addition, The Coop Property Manager has sole signing rights in respect of the Coop Property Management Account for amounts up to CHF 10,000 per payment and joint signing rights (together with the Swiss Facility Agent) for any amount.

The Coop Borrower has assigned all claims and rights relating to the Coop Property Management Account, the Coop Borrower Rent Account, the Coop Borrower Deposit Account and the Coop Maintenance Reserve Account to the Swiss Facility Agent.

The Coop Related Security

The Coop Loan has the benefit of certain security interests (the "**Coop Related Security**") granted by the Coop Borrower under various security documents (each a "**Coop Security Document**" and together the "**Coop Security Documents**") entered into by, among others, the Coop Borrower on or before the origination of the Coop Loan.

The Coop Related Security includes, among other things:

(a) bearer and registered mortgage certificates (*Inhaberschuldbriefe* and *Namenschuldbriefe*) in first and following rankings in respect of the Coop Properties securing an aggregate principal amount equal to CHF 204,969,760;

(b) a security assignment (*Sicherungszession*) of all present and future rental income due to the Coop Borrower in respect of the Coop Properties;

(c) a security assignment (*Sicherungszession*) of all present and future rights and claims relating to the Coop Borrower Rent Account;

(d) a security assignment (*Sicherungszession*) of all present and future rights and claims of, and proceeds accruing to, the Coop Borrower under any insurance policy relating to the Coop Properties;

(e) a security assignment (*Sicherungszession*) of all present and future rights and claims of, and proceeds accruing to, the Coop Borrower under each of the sale and purchase agreements relating to the Coop Properties;

(f) a security assignment (*Sicherungszession*) of all present and future rights and claims of, and proceeds accruing to, the Coop Borrower under the Coop Management Agreement; and

(g) a pledge of shares granted by the shareholder of the Coop Borrower of its shareholding in the Coop Borrower.

The pledge of shares in the Coop Borrower is governed by Luxembourg law. The other security documents creating the Coop Related Security are governed by Swiss law.

Insurance

The Coop Borrower undertakes in the Coop Loan Agreement to effect or procure (where available), that the following types of insurance cover are in place:

(a) insurance of the Coop Properties, including fixtures and improvements, on a full reinstatement basis, with insurance against loss of rent for a period of not less than 36 months;

(b) insurance against third party liabilities of not less than CHF 20,000,000; and

(c) such other insurance as a prudent company in the business of the Coop Borrower would effect.

The Coop Borrower undertakes in the Coop Loan Agreement to:

(i) use all reasonable endeavours to ensure that the Swiss Facility Agent receives any information in connection with the insurances, and copies of each insurance policy, which the Swiss Facility Agent may reasonably require;

(ii) notify the Swiss Facility Agent of any renewal and variation or cancellation of any insurance policy made or, to the knowledge of the Coop Borrower, threatened or pending; and

(iii) not do or permit anything to be done which may make void or voidable any insurance policy.

If the Coop Borrower fails to comply with any of its insurance related obligations, the Swiss Facility Agent may (but shall not be obliged to), at the expense of the Coop Borrower, effect any insurance on behalf of the finance parties (and not in any way for the benefit of that borrower) and take such other action as the Swiss Facility Agent may reasonably consider necessary or desirable to prevent or remedy any breach of its obligations relating to insurance.

For further information about the Coop Loan, see "Risk Factors – Factors Relating to Certain Loans – The Coop Loan" at page 79.

CERTAIN ADDITIONAL TERMS RELATING TO THE LOANS

Representations and Warranties

Each of the Loan Agreements contains various representations and warranties given by the Borrowers to the lender. These representations and warranties were given on the date of the Loan Agreements and are, in general, deemed to have been repeated on the date the Borrower sought to draw amounts under the Loan Agreement, on the date the Borrower actually drew funds under the Loan Agreement, and on each Interest Payment Date, in each case by reference to the facts and circumstances then prevailing.

The representations and warranties contained in the Loan Agreements include statements to the following effect:

(a) that each Borrower is duly organised, incorporated or registered, as the case may be, and validly existing under the laws of its jurisdictions of organisation or registration;

(b) that each Borrower has the power and authority to own its assets and enter into, perform and deliver and has taken all necessary action to authorise the entry into, performance and delivery of the relevant Finance Documents;

(c) no default is continuing or might reasonably be expected to result from the making of the Loans and there is no litigation or other proceedings current, pending or threatened which if adversely determined might have a material adverse effect on the performance of its obligations in respect of the Loans;

(d) all information provided to the Originator in connection with the relevant Loan Agreement and related finance documents are true and accurate in all material respects as at its date or, if appropriate, as at the date which it is stated to be given and it has not omitted to supply any information which, if disclosed, would be reasonably expected to make any information provided to the Originator untrue or misleading in any material respect;

(e) that it is the sole registered owner of, and has good and valid title to, the Properties, free from any adverse interests or encumbrances save as disclosed in the relevant report on title or property report delivered as a condition precedent under the Loan Agreement or, in respect of certain of the German Properties that a priority notice of conveyance (*Auflassungsvormerkung*) has been registered in favour of the relevant Borrower and that upon payment of the purchase price, the current owner will transfer title to the relevant Property the relevant Borrower will be registered as sole owner of, and has good and valid title to, the relevant Property, free from any adverse interests or encumbrances save as any security created pursuant the relevant Loan Agreement and related finance documents and save as encumbrances registered in division II of the land register as disclosed in the relevant report on title;

(f) the security conferred by the security documents relating to the relevant Loan constitutes or will constitute, except as otherwise permitted under the Loan Agreements, a first priority security interest of the type referred to in the relevant Security Document; and

(g) since the date of its organisation, incorporation or registration, except as otherwise disclosed in this Offering Circular in relation to the Borken Borrower under the Schmeing Loan and the GWK Borrower, it has no employees and has not traded or carried on any business except for the ownership, management and development of its interests in the Properties acquired by it and other ancillary matters that would reasonably be considered to be in the ordinary course of business for an owner of a property similar to the Properties.

Undertakings

Each Borrower also gives various undertakings in the Loan Agreements. The undertakings include the following:

(a) to provide annual audited financial statements for each financial year and, if they are produced, bi-annual financial statements for half of each financial year;

(b) promptly, to inform the relevant facility agent of the occurrence of any event of default under the Loan Agreement or any event or circumstance which would be the event of default and the steps, if any, being taken to remedy it;

(c) not to create or permit to subsist any security over any of its assets, other than any security permitted by the relevant Loan Agreement or any security disclosed to the Dutch Security Trustee, German Security Trustee or Swiss Security Agent, as applicable, prior to the date of the Loan Agreement or arising by operation of law and the Related Security;

(d) in the case of a Borrower (other than the GWK Borrower), not to sell, transfer, grant or lease or otherwise dispose of all or any part of its assets other than as permitted by the Loan Agreement, any disposal of a fixture or fitting comprising part of a Property that is ancillary to the operation of that property, provided that such asset is being replaced by another asset of similar or better quality or any disposal permitted under a Security Document;

(e) in the case of a Borrower (other than the GWK Borrower), not to carry on any business other than the ownership, management, development or disposal of its interests in the Properties and other ancillary matters that would reasonably be considered to be in the ordinary course of business for an owner of a similar property; and

(f) to insure the Properties against the risk of damage or destruction, third party liabilities and such other risks as a prudent owner of similar properties would insure against, including insurance against loss of rent for a period of not less than 36 months.

The undertakings of each of the Borrowers are binding for as long as any amount is outstanding under the relevant Loan Agreement.

Events of Default

The Loan Agreements contains various events of default (each a "**Event of Default**" and together the "**Events of Default**") entitling the original lender to demand immediate payment of all amounts owing under the Loan Agreements. The Events of Default include the following:

(a) the failure to pay on the due date any amount due under the Finance Documents;

(b) breach of certain obligations under the Finance Documents;

(c) any representation, warranty or statement made or repeated in connection with any Finance Documents is incorrect when made or deemed to be made;

(d) the Borrower, as applicable, is deemed to be insolvent or unable to pay its debts as they fall due, or, except as otherwise described in this Offering Circular in relation to a solvent liquidation of the Procom Borrowers, other insolvency related acts or events occur in respect of that Borrower;

(e) any expropriation, attachment, sequestration, distress or execution or any analogous event affects any of the assets subject to security created by the Security Documents (or, in the case of the GWK Loan, any material part of the GWK Properties, being at least 50% of the GWK Properties) and is not discharged within the time period stipulated in the relevant Loan Agreement; and

(f) the Borrower, as applicable, ceases or threatens to cease, to carry on all or a substantial part of its business.

Certain of the Events of Default are subject to applicable cure or grace periods.

Break Adjustments

Upon any prepayment in respect of a Loan and in certain other circumstances, a "**Break Adjustment**" will be determined by the relevant lender by reference to the amount that would be payable by the relevant Borrower or lender, as applicable, on the early cancellation, in whole or in part, of the Notional Hedge Transaction, as if the Notional Hedge Transaction had existed between that lender and the relevant Borrower.

If the amount determined pursuant to the paragraph above would be:

(a) payable by the relevant Borrower, then the amount required to be paid to the relevant lender on such prepayment or repayment or in certain other circumstances shall be increased by such amount; or

(b) payable by the relevant lender, then the amount required to be paid to that lender on such prepayment or repayment or on the occurrence of a default shall be decreased by such amount.

"**Notional Hedge Transaction**" means, in this context, a form of interest rate swap confirmation that is annexed to each Loan Agreement (or, in the case of the GWK Loan, the relevant indemnity agreement) whereby a lender and the relevant Borrower are deemed to have undertaken (a) Borrower will pay a fixed rate of interest equal to the rate determined in accordance with the relevant Loan Agreement; and (b) that such lender will pay a floating rate of interest (including any margin) in the currency of the relevant Loan advanced under the corresponding Loan Agreement.

Prepayment Fees

A prepayment fee must be paid by each Borrower to the Facility Agent (for the account of the lenders) in the manner agreed in the relevant fees letter (or, in the case of the GWK Loan, the relevant indemnity agreement) on the date of prepayment of any part of the related Loan, except for certain mandatory prepayments.

SALE OF ORIGINATED ASSETS

Asset Transfer Agreements

On the ATU Closing Date:

(a) the ATU Originator entered into an agreement with, among others, the ATU Issuer, pursuant to which it sold to the ATU Issuer the ATU Loan and transferred to the ATU Issuer the ATU Related Security (other than the ATU Related Security governed by Dutch law) (as amended on 16 March 2006, the "**ATU Loan Sale Agreement**") and another security transfer agreement (as amended on 16 March 2006, the "**ATU Security Transfer Agreement**", and together with the ATU Loan Sale Agreement, the "**ATU Asset Transfer Agreement**") with, among others, the ATU Issuer, pursuant to which the ATU Issuer in turn re-transferred the ATU Related Security governed by German law to the German Security Trustee; and

(b) the ATU Originator subscribed for the ATU Note.

On the Closing Date:

(a) the ATU Originator will enter into an agreement with, among others, the Issuer, pursuant to which it will agree to sell to the Issuer the ATU Note and transfer to the Issuer the ATU Note Related Security (the "**ATU Note Sale Agreement**") with, among others, the Issuer;

(b) the Dutch Originator will enter into an agreement with, among others, the Issuer, pursuant to which it will agree to sell to the Issuer the Dutch Loan (the "**Dutch Loan Sale Agreement**");

(c) the German Originator will enter into an agreement with, among others, the Issuer, pursuant to which it will agree to sell to the Issuer the German Loans (other than the ATU Loan) and transfer to the Issuer the relevant German Related Security (the "**Non-ATU German Loan Sale Agreement**") and another security transfer agreement (the "**Non-ATU German Security Transfer Agreement**", and together with the Non-ATU German Loan Sale Agreement, the "**Non-ATU German Asset Transfer Agreement**") with, among others, the Issuer, pursuant to which the Issuer in turn will re-transfer the relevant German Related Security to the German Security Trustee; and

(d) the Swiss Originator will enter into an agreement with, among others, the Swiss Issuer pursuant to which it will agree to sell to the Swiss Issuer the Swiss Loan (the "**Swiss Loan Sale Agreement**" and another agreement with among others, the Swiss Issuer, pursuant to which it will agree to transfer to the Swiss Issuer certain rights in respect of the Swiss Related Security, the "**Swiss Security Transfer Agreement**" and together with the "**Swiss Loan Sale Agreement**", the "**Swiss Asset Transfer Agreement**").

The ATU Loan Sale Agreement and the Non-ATU German Loan Sale Agreement are together referred to in this Offering Circular as the "**German Loan Sale Agreements**". The ATU Security Transfer Agreement and the Non-ATU German Security Transfer Agreement are together referred to in this Offering Circular as the "**German Security Transfer Agreements**". The ATU Note Sale Agreement and the Non-ATU German Asset Transfer Agreement are together referred to in this Offering Circular as the "**German Asset Transfer Agreements**". The Dutch Loan Sale Agreement, the German Asset Transfer Agreements and the Swiss Asset Transfer Agreement are together referred to in this Offering Circular as the "**Asset Transfer Agreements**".

Sale of the ATU Loan and ATU Related Security

Consideration

The purchase price payable by the ATU Issuer to the ATU Originator in respect of the ATU Senior Loan and ATU Subordinated Loans and ATU Related Security was €672,000,000, a sum equal to the outstanding principal amount of the ATU Senior Loan and ATU Subordinated Loans on the ATU Closing Date. This amount was paid by the ATU Issuer to the ATU Originator on the ATU Closing Date using the proceeds of the issuance of the ATU Notes. Any interest received by

the ATU Issuer from the ATU Borrower which represents interest accrued on the ATU Loan until (but excluding) the date on which the ATU Loan was acquired by the ATU Issuer (the "**ATU Originator's Accrued Interest**") was not purchased by the ATU Issuer and will be paid by the ATU Issuer to the ATU Originator immediately upon receipt. It will not, therefore, form part of the funds which are available to the ATU Issuer to make payments due to, among others, the Issuer in respect of the ATU Notes. There is no further or other consideration payable by the ATU Issuer to the ATU Originator in respect of the ATU Loan and the ATU Related Security.

Transfer and Perfection

The transfer of title to the ATU Loan and ATU Related Security was effected under the ATU Asset Transfer Agreement by way of the assignment of the ATU Originator's rights, title and interest in respect thereof to the ATU Issuer.

Further Assurances

In addition, the ATU Originator has undertaken, under the ATU Asset Transfer Agreement, to do all acts and things and to execute such other documents as may be requested by the ATU Issuer and the ATU Issuer Security Trustee to perfect the title of the ATU Issuer to the ATU Loan and ATU Related Security.

Sale of the ATU Note and ATU Note Related Security

Consideration

The purchase price payable by the Issuer to the ATU Originator in respect of the ATU Note and ATU Note Related Security will be €470,595,000, a sum equal to the outstanding principal amount of the ATU Senior Loan on the Cut-Off Date. This amount will be paid by the Issuer to the ATU Originator on the Closing Date using the proceeds of the issuance of the Notes. Any interest received by the Issuer from the ATU Issuer which represents interest accrued on the ATU Note until (but excluding) the date on which the ATU Note has been acquired by the Issuer (the "**ATU Originator's Accrued Note Interest**") will not be purchased by the Issuer and will be paid by the Issuer to the ATU Originator immediately upon receipt. It will not, therefore, form part of the funds which are available to the Issuer to make payments due to, among others, the Noteholders. There will be no further or other consideration payable by the Issuer to the ATU Originator in respect of the ATU Note and the ATU Note Related Security other than deferred consideration payable under the ATU Note Asset Transfer Agreement. The deferred consideration is made up of prepayment fees paid to the ATU Senior Lender in respect of the ATU Loan.

Transfer and Perfection

The transfer of title to the ATU Note and ATU Note Related Security will be effected under the ATU Note Sale Agreement by way of the assignment of the ATU Originator's rights, title and interest in respect thereof to the Issuer.

Further Assurances

In addition, the ATU Originator will undertake, under the ATU Note Sale Agreement, to do all acts and things and to execute such other documents as may be requested by the Issuer and the Issuer Security Trustee to perfect the title of the Issuer to the ATU Note and ATU Note Related Security.

Sale of the Dutch Loan and Dutch Related Security

Consideration

The purchase price payable by the Issuer to the Dutch Originator in respect of the Dutch Loan and Dutch Related Security will be €117,000,000, a sum equal to the outstanding principal amount of the Dutch Loan on the Cut Off Date. This amount will be paid by the Issuer to the Dutch Originator on the Closing Date using part of the proceeds of the issuance of the Notes. Any interest received by the Issuer from the Dutch Borrower which represents interest accrued on the Dutch Loan until (but excluding) the date on which such Dutch Loan has been acquired by the

Issuer (the "**Dutch Originator's Accrued Interest**") will not be purchased by the Issuer and will be paid by the Issuer to the Dutch Originator immediately upon receipt. It will not, therefore, form part of the funds which are available to the Issuer to make payments due to, among others, the Noteholders. There will be no further or other consideration payable by the Issuer to the Dutch Originator in respect of the Dutch Loan and the Dutch Related Security other than the deferred consideration payable under the Dutch Loan Sale Agreement. The deferred consideration is made up of prepayment fees paid in respect of the Dutch Loan and any swap breakage payments made by the Swap Provider to the Issuer under the Swap Agreement (save insofar as such amounts are applied under the relevant Loan Agreements to reduce the liabilities of the Borrower or to obtain a replacement swap transaction, as described in this Offering Circular).

Transfer and Perfection

The transfer of title to the Dutch Loan will be effected under the Dutch Loan Sale Agreement by way of execution of a transfer certificate in the form provided by the relevant Dutch Loan Agreement.

Further Assurances

In addition, the Dutch Originator has undertaken, under the Dutch Loan Sale Agreement, to do all acts and things and to execute such other documents as may be requested by the Issuer and the Issuer Security Trustee to perfect the title of the Issuer to the Dutch Loan and Dutch Related Security.

Sale of the German Loans (other than the ATU Loan) and related German Related Security

Consideration

The purchase price payable by the Issuer to the German Originator in respect of the German Loans (other than the ATU Loan) and related German Related Security will be €859,566,754, a sum equal to the outstanding principal amount of the German Loans (other than the ATU Loan) on the Cut Off Date. This amount will be paid by the Issuer to the German Originator on the Closing Date using part of the proceeds of the issuance of the Notes. Any interest received by the Issuer from a German Borrower which represents interest accrued on a Non-ATU German Loan until (but excluding) the date on which such German Loan (other than the ATU Loan) has been acquired by the Issuer (the "**German Originator's Accrued Interest**") will not be purchased by the Issuer and will be paid by the Issuer to the German Originator immediately upon receipt. It will not, therefore, form part of the funds which are available to the Issuer to make payments due to, among others, the Noteholders. There will be no further or other consideration payable by the Issuer to the German Originator in respect of the relevant German Loans and German Related Security other than the deferred consideration payable under the German Asset Transfer Agreement. The deferred consideration is made up of prepayment fees paid in respect of the German Loans (other than the ATU Loan) and any swap breakage payments made by the Swap Provider to the Issuer under the Swap Agreement (save insofar as such amounts are applied under the relevant Loan Agreements to reduce the liabilities of the Borrower or to obtain a replacement swap transaction, as described in this Offering Circular).

Transfer and Perfection

The transfer of title to the German Loans (other than the ATU Loan) and German Related Security will be effected under the Non-ATU German Asset Transfer Agreement by way of execution of a transfer certificate in the form provided by the relevant German Loan Agreement. The transfer of title in respect of the GWK Loan will involve the assignment of the German Originator's rights, title and interest in respect thereof and not the novation of its rights and obligations.

Further Assurances

In addition, the German Originator has undertaken, under the Non-ATU German Asset Transfer Agreement, to do all acts and things and to execute such other documents as may be

requested by the Issuer and the Issuer Security Trustee to perfect the title of the Issuer to the relevant German Loans and German Related Security.

Sale of the Swiss Loan and Swiss Related Security

Consideration

The purchase price payable by the Swiss Issuer to the Swiss Originator in respect of the Swiss Loan and Swiss Related Security will be CHF 170,100,000, a sum equal to the outstanding principal amount of the Swiss Loan on the Cut-Off Date. This amount will be paid by the Swiss Issuer to the Swiss Originator on the Closing Date using the proceeds of the issuance of the Swiss Note and the Swiss Subordinated Note. Any interest received by the Swiss Issuer from a Swiss Borrower which represents interest accrued on the Swiss Loan until (but excluding) the date on which the Swiss Loan has been acquired by the Swiss Issuer (the "**Swiss Originator's Accrued Interest**") will not be purchased by the Swiss Issuer and will be paid by the Swiss Issuer to the Swiss Originator immediately upon receipt. It will not, therefore, form part of the funds which are available to the Swiss Issuer to make payments due to, among others, the Issuer in respect of the Swiss Note. There will be no further or other consideration payable by the Swiss Issuer to the Swiss Originator in respect of the Swiss Loan and the Swiss Related Security other than deferred consideration payable under the Swiss Asset Transfer Agreement. The deferred consideration is made up of prepayment fees paid in respect of the Swiss Loan.

Transfer and Perfection

The transfer of title to the Swiss Loan and Swiss Related Security will be effected under the Swiss Asset Transfer Agreement.

Further Assurances

In addition, the Swiss Originator has undertaken, under the Swiss Asset Transfer Agreement, to do all acts and things and to execute such other documents as may be requested by the Swiss Issuer and the Issuer Security Trustee to perfect the title of the Issuer to the Swiss Loan and Swiss Related Security.

Representations and Warranties

None of the Issuer or the Issuer Related Parties (with respect to the Dutch Loan and Dutch Related Security, the ATU Note and ATU Note Related Security, the German Loans and relevant German Related Security), or the Swiss Issuer Related Parties (with respect to the Swiss Loan and Swiss Related Security) has made or will make any of the enquiries, searches or investigations which a prudent purchaser of similar assets would normally make, nor has any such entity made any enquiry at any time in relation to compliance by the Originator with its lending criteria or the legality, validity, perfection, adequacy or enforceability of the relevant Originated Assets or ATU Note Assets or the transfer thereof pursuant to the relevant Asset Transfer Agreement or, in the case of the ATU Loan, the ATU Asset Transfer Agreement.

In relation to all of the foregoing matters, the Issuer will, in relation to the Dutch Loan and the Dutch Related Security, rely on the representations and warranties given by the Dutch Originator in the Dutch Loan Sale Agreement and will, in relation to the German Loans (other than the ATU Loan) and relevant German Related Security, rely on the representations and warranties given by the German Originator in the Non-ATU German Asset Transfer Agreement and the Issuer will, in relation to the ATU Note and ATU Note Related Security, rely on the representations and warranties given by the ATU Originator in the ATU Note Sale Agreement and the Swiss Issuer will, in relation to the Swiss Loan and Swiss Related Security, rely on the representations and warranties given by the Originator in the Swiss Asset Transfer Agreement.

If there is a material breach of any representation or warranty (a description of the more significant of which is set out below) set out in the ATU Note Sale Agreement in relation to the ATU Assets and the ATU Note Assets or any of the Asset Transfer Agreements in relation to any of the Originated Assets (other than the ATU Assets) and such breach is not capable of remedy or, if capable of remedy, has not been remedied within 90 days, the Originator will be obliged, if

required by the Issuer or the Swiss Issuer, as the case may be, to repurchase the ATU Note or Originated Asset, as the case may be, for an aggregate amount equal to the outstanding principal amount under the relevant Loan or ATU Note, as the case may be, together with interest accrued (but not yet payable) and costs, up to, but excluding, the date of the repurchase, such costs to include any swap breakage costs payable by the Issuer as a result of any early termination of a Swap Transaction which results from such repurchase. The Issuer or the Swiss Issuer, as the case may be, will have no other remedy in respect of such a breach unless the Originator fails to purchase the ATU Note or relevant Originated Asset, as the case may be, in accordance with the ATU Note Sale Agreement or the relevant Asset Transfer Agreement, as applicable.

The representations and warranties to be given by the Originator in the Asset Transfer Agreements will include statements to the following effect, though such statements will, as appropriate, vary from Asset Transfer Agreement to Asset Transfer Agreement:

(a) the Originator is the absolute owner of the relevant Originated Assets free from encumbrances;

(b) each of the relevant Properties is situated in Germany, the Netherlands or Switzerland, as the case may be;

(c) each of the relevant Properties constitute investment properties and are let predominantly for commercial or multifamily use, as the case may be;

(d) each Borrower has good and valid title to the relevant Properties, free of any material title defects;

(e) (i) each Loan constitutes the valid and binding obligation of, and is enforceable against the relevant Borrower; and

(ii) the related mortgage over the relevant Property constitutes a legal, valid and binding first ranking security interest over the Property to which such mortgage relates (subject only to any relevant registrations);

(f) the Originator has not received any written notification of any material encumbrance affecting its title to any of the relevant Originated Assets;

(g) to the best of the Originator's knowledge after using reasonable endeavours to ensure the same, each relevant Property is insured by an insurance policy maintained by the relevant Borrower or another person with an interest in the Property in an amount which is equal to or greater than its reinstatement value;

(h) the Originator has not received any notice that any insurance policy relating to any relevant Property is about to lapse on account of failure to pay the insurance premium thereunder;

(i) none of the provisions of any Originated Asset have been waived, altered or modified in any material respect since it was entered into except as set out in the documentation relating to the relevant Originated Asset;

(j) the Originator has kept or has caused to be kept full and proper accounts, books and records showing all transactions, payments, receipts and other relevant information relating to the Originated Assets which are complete and accurate in all material respects, all such accounts, books and records being fully up to date and kept by, or to the order of, the Originator;

(k) each of the Originated Assets arose from the ordinary course of the Originator's commercial secured lending activities;

(l) prior to the date of the origination of each Loan, to the best of the Originator's knowledge, that Loan and any relevant Related Security and the circumstances of the relevant Borrowers and Obligors satisfied, in all material respects, the lending criteria of the Originator so far as applicable, subject to such variations or waivers as would, as at that date, have been acceptable to a reasonably prudent lender of money secured on commercial property;

(m) the Originator is not aware of the bankruptcy, insolvency, liquidation, receivership or administration (or equivalent procedure) in respect of any Borrower;

(n) prior to originating the Originated Assets, the Originator carried out all material investigations, searches and other actions and made such enquiries about title to the relevant Properties as a reasonably prudent lender of money secured on commercial or multifamily real property (as applicable) in the relevant jurisdiction would make. No information was revealed by any such investigations, searches or action which would have led a reasonably prudent lender in the relevant jurisdiction to decline to originate any of the Originated Assets;

(o) each Originated Asset is governed by English law, German law, Luxembourg law, Dutch law or Swiss law, as the case may be;

(p) the Originator is not aware of any material default, material breach or material violation in respect of any of the Originated Assets which has not been remedied, cured or waived;

(q) the Originator has performed, in all material respects, all its obligations under or in connection with the Originated Assets and, so far as it is aware, no Borrowers have taken or have threatened to take any action against the Originator for material failure on the part of the Originator to perform any such obligation;

(r) no Originated Asset has been discharged, terminated, redeemed, cancelled, or repudiated and neither the Originator nor any Borrower has expressed any intention to do so;

(s) each Originated Asset may be validly transferred by the Originator to the Issuer, the ATU Issuer or the Swiss Issuer, as the case may be;

(t) the Originator has not received any notice of any default, for failure or the like, of any occupational lease granted in respect of any relevant Property or the insolvency of any tenant of any such Property which would, in any case, render the relevant Property unacceptable as security;

(u) each of the relevant Properties securing a loan were valued by a qualified surveyor or valuer appointed by the Originator and independent from the Originator; and

(v) prior to the origination of each Loan, the Originator carried out all material searches and other actions that a prudent commercial lender would undertake to establish and confirm that, to the best of the Originator's knowledge, no Borrower nor obligor has any material assets or liabilities (other than liabilities fully subordinated pursuant to subordination agreements) save in relation to the Properties which constitute security for the relevant Loans.

In addition to the above representations and warranties, each Originator has provided additional representations and warranties which are specific to each of the relevant jurisdiction.

Each of the representations and warranties made by the Originator are qualified by any relevant matter described in this Offering Circular in connection therewith.

THE ATU NOTE

The ATU Issuer

Principal Activities

DECO-ABC 1 p.l.c. is the ATU Issuer. The ATU Issuer was incorporated in Ireland, on 18th November 2005, as a public company with limited liability under the Irish Companies Acts, 1963 to 2005 with company registration number 411117. The registered office of the ATU Issuer is at Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland. The telephone number of the ATU Issuer's registered office is +353 1 491 4055. The ATU Issuer has no subsidiaries.

The principal activities of the ATU Issuer are set out in its memorandum of association and are, among other things, to purchase, take transfer of, invest in and acquire loans and any security given or provided by any person in connection with such loans, to hold and manage and deal with, sell or alienate such loans and related security, to borrow, raise and secure the payment of money by the creation and issue of bonds, debentures, notes or other securities and to charge or grant security over the ATU Issuer's property or assets to secure its obligations.

The ATU Issuer commenced operations on the ATU Closing Date. The ATU Issuer has not made up any accounts as at the date of this Offering Circular. The activities in which the ATU Issuer has engaged are those incidental to its incorporation and registration as a public limited company under the Irish Companies Acts, 1963 to 2005, the authorisation of the issue of the ATU Notes, the matters referred to or contemplated in this Offering Circular and the authorisation, execution, delivery and performance of the other documents referred to in this document to which it is a party and matters which are incidental or ancillary to the foregoing.

The ATU Issuer has covenanted to observe certain restrictions on its activities which are detailed in Condition 4 of the ATU Notes, the ATU Issuer Deed of Charge and Assignment and the ATU Issuer Note Trust Deed and, as such, the ATU Issuer is a special purpose vehicle.

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

(a) The directors of the ATU Issuer and their other principal activities are:

Name	Principal activities
John Walley	Consultant
John Gerard Murphy	Financial Officer

(b) The business address for each of the Directors is Trinity House, Charleston Road, Ranelagh, Dublin 6. The company secretary of the Issuer is Structured Finance Management (Ireland) Limited, whose principal address is Trinity House, Charleston Road, Ranelagh, Dublin 6.

(c) The Directors do not, and it is not proposed that they will, have service contracts with the ATU Issuer. No Director has entered into any transaction on behalf of the ATU Issuer which is or was unusual in its nature of conditions or is or was significant to the business of the ATU Issuer since its incorporation.

At the date of this Offering Circular there were no loans granted or guarantees provided by the ATU Issuer to any Director.

(d) The Articles of Association of the ATU Issuer provide that:

Any Director may vote on any proposal, arrangement or contract in which he is interested provided he has disclosed the nature of his interest.

Subject to the provisions of the articles of association, a Director shall hold office until such time as he is removed from office by resolution of the ATU Issuer in general meeting or is otherwise removed or becomes ineligible to act as a Director in accordance with the articles of association.

(e) The ATU Issuer Corporate Services Provider, under the terms of the ATU Issuer Corporate Services Agreement provides certain corporate services to the ATU Issuer and the provision of related corporate administrative services. The ATU Issuer Corporate

Services Agreement may be terminated by either the ATU Issuer or the ATU Issuer Corporate Services Provider upon notice. Such termination shall not take effect, however, until a replacement corporate services provider has been appointed.

40,000 ordinary shares of the ATU Issuer have been issued, consisting of 39,993 shares which are paid up to €0.25 each and seven which are fully paid up, all of which are held by SFM Corporate Services Limited or its nominee as trustee pursuant to the terms of a charitable trust established pursuant to a declaration of trust (the "**ATU Share Declaration of Trust**") dated on or about 30th November 2005.

General provisions applicable to the ATU Note and the ATU Subordinated Notes

The ATU Note was issued on the ATU Closing Date in an aggregate principal amount of €410,000,000, the ATU Subordinated B Note was issued on the ATU Closing Date in a principal amount of €122,000,000 and the ATU Subordinated C Note was issued on the ATU Closing Date in a principal amount of €140,000,000. The principal amount of the ATU Note was increased on 14th March 2006 to €470,595,000 and, on the same date, the principal amount of the ATU Subordinated B Note was reduced by a commensurate amount. The ATU Note, ATU Subordinated B Note and ATU Subordinated C Note are together referred to in this Offering Circular as the "**ATU Notes**".

The Issuer will purchase the ATU Note, on the Closing Date, out of a portion of the proceeds raised from the issue of the Notes, pursuant to the ATU Note Asset Purchase Agreement. The ATU Subordinated Lenders subscribed for the ATU Subordinated Notes at par on the ATU Closing Date, pursuant to a subscription agreement between the ATU Subordinated Lenders and the ATU Issuer.

The amount of interest paid and principal repaid in respect of the ATU Note on any ATU Note Interest Payment Date is dependent upon the amount of interest and principal paid and repaid in respect of the ATU Senior Loan in the collection period immediately preceding such ATU Note Interest Payment Date, as well as upon the expenses of the ATU Issuer which are met out of cash-flow received in respect of the ATU Loan in accordance with the ATU Issuer Priority of Payments.

The ATU Note will not be the obligation or responsibility of any person other than the ATU Issuer. In particular, but without limitation, the ATU Note will not be the obligation or responsibility of, or be guaranteed by the German Originator, any of the ATU Issuer Related Parties or any of their respective affiliates and none of such persons accepts any liability whatsoever in respect of any failure by the ATU Issuer to make payments of any amounts due in respect of the ATU Note.

Summary of Terms and Conditions of the ATU Note

The primary terms and conditions of the ATU Note are set out below.

Form, Denomination and Title

The ATU Notes were issued in definitive registered form. Title to the ATU Note will pass upon registration of the transfer by the ATU Issuer Registrar. The ATU Issuer may treat the registered holder of the ATU Note (each an "**ATU Noteholder**") as the absolute owner for all purposes.

Transfers

Prior to the enforcement of the Issuer Security, it is anticipated that only the Issuer will be the ATU Noteholder. Following enforcement of the Issuer Security with respect to the ATU Note, the ATU Note may be transferred (subject to certain restrictions contained in the ATU Note Subscription Agreement and the ATU Issuer Note Trust Deed) in whole or in part. The ATU Issuer Registrar will maintain a record of the transfer of the ATU Note.

Security

Pursuant to the ATU Issuer Deed of Charge and Assignment which is, governed by English law, the ATU Issuer has created the following security (the "**ATU Issuer English Security**") in favour of the ATU Issuer Security Trustee for itself and on trust for the other ATU Issuer Related Parties: the ATU Issuer Security Trustee and all of such persons being collectively, the "**ATU Issuer Secured Creditors**").

(i) an assignment by way of security of all of the ATU Issuer's rights, title, interests and benefits under, *inter alia*, the ATU Intercreditor Deed, the ATU Loan Sale Agreement, the ATU Issuer Note Trust Deed, the ATU Issuer Servicing Agreement, the swap agreements entered into by the ATU Issuer relating to the ATU Subordinated Notes, the ATU Issuer Corporate Services Agreement and the ATU Issuer Agency Agreement;

(ii) a charge by way of first-ranking fixed security of all of the ATU Issuer's rights, title, interests and benefits in, *inter alia*, each of the ATU Issuer Collection Accounts, and of the funds from time to time standing to the credit of such accounts; and

(iii) a floating charge governed by English law over the whole of the undertaking, property, rights and assets of the ATU Issuer (other than the share capital proceeds account of the ATU Issuer and any property or assets of the ATU Issuer subject to an effective fixed security or an assignment by way of security referred to in the preceding sub-paragraphs).

Events of Default

The obligation to repay the principal amount outstanding in respect of the ATU Note can be accelerated by the ATU Issuer Note Trustee following the occurrence of an event of default under the terms and conditions of the ATU Note. Such an event of default will occur if:

(a) subject to it having funds available for this purpose, the ATU Issuer defaults, for a period of five days in the payment of any amount of interest, or for a period of three days on the repayment of any amount of principal of the ATU Notes;

(b) subject to grace or cure periods, the ATU Issuer defaults in the performance or observance of any obligations under the terms and conditions of the ATU Notes or any of the transaction documents to which the ATU Issuer is a party; and

(c) certain insolvency related events occur in respect of the ATU Issuer.

Interest

Interest on the ATU Note is payable on each ATU Note Interest Payment Date on an available funds basis, in an amount equal to the relevant ATU Issuer Interest Amount.

Amortisation and Prepayments

Scheduled amortisation on the ATU Loan will be allocated towards repayment of: (a) first, the ATU Subordinated C Loan, until repaid in full; and (b) then, the ATU Senior Loan and the ATU Subordinated B Loan, *pro rata*, until paid in full.

Redemption and Cancellation

Unless previously redeemed in full, the ATU Note shall be redeemed at the ATU Note Principal Amount Outstanding on the ATU Note Maturity Date, less any principal losses arising in respect of the ATU Loan. The "**ATU Note Principal Amount Outstanding**" at any time is the aggregate principal amount of the ATU Note on the ATU Closing Date less any amount of principal prepaid thereon from time to time, which should be the same as the principal balance of the ATU Senior Loan from time to time.

The ATU Note shall be subject to mandatory redemption in whole or in part in the event of any repayment or prepayment in whole or in part of the ATU Loan by the ATU Borrower in the event that the holder of the ATU Note elects to exercise its option to redeem the ATU Note in exchange for a direct holding in the ATU Senior Loan.

The ATU Note shall be mandatorily redeemed in full if so requested by an extraordinary resolution, or at the written direction of, not less than $66^{2}/_{3}$ per cent. of the ATU Note, if by virtue of a change in law after the ATU Closing Date, payments on the ATU Note become subject to any withholding or deduction for tax, subject to the ATU Issuer having sufficient funds available to it to discharge all liabilities connected with the ATU Note.

Tax

All payments by, or on behalf of, the ATU Issuer in respect of the ATU Note shall be made free and clear of and without withholding or deduction for or on account of tax, except to the extent that the deduction or withholding is required by law. In the event that a withholding or

deduction is imposed for or on account of tax, the ATU Issuer will not be obliged to pay additional amounts in respect of any such withholding or deduction so that the recipient of such payment will bear the risk of such deduction or withholding being imposed.

As at the Closing Date, the Issuer will be beneficially entitled to all payments of interest and principal under the ATU Note.

Governing Law

The ATU Note is governed by and construed in accordance with English law.

Limited Recourse

Any claim that the ATU Noteholder has against the ATU Issuer in respect of the ATU Note shall be limited to the value of the ATU Assets and amounts realised on enforcement of security in respect thereof. The proceeds of realisation of the ATU Assets may, after paying or providing for all prior ranking claims of the ATU Issuer, be less than sums due in respect of the ATU Note. In such event, any shortfall in the amount due under the ATU Note will be extinguished. For the avoidance of doubt, no claim may be made on any other assets of the ATU Issuer. The ATU Issuer will have no recourse against the ATU Originator.

Other ATU Notes Issued by the ATU Issuer

In addition to the ATU Note, the ATU Issuer issued on the ATU Closing Date:

(a) the ATU Subordinated B Note to the ATU Subordinated B Noteholder; and

(b) the ATU Subordinated C Note to the ATU Subordinated C Noteholder.

The Issuer, the ATU Subordinated B Noteholder and the ATU Subordinated C Noteholder will enter into the ATU Intercreditor Deed which regulates the priority of payments between the ATU Note, the ATU Subordinated B Note and the ATU Subordinated C Note. The holder of the ATU Subordinated B Note shall be the ATU Subordinated B Lender and the holder of the ATU Subordinated C Note shall be the ATU Subordinated C Lender, and the terms "**ATU Subordinated B Lender**" and "**ATU Subordinated C Lender**" as used in this Offering Circular shall be construed accordingly. On the Closing Date, the ATU Subordinated B Lender and/or the ATU Subordinated C Lender may be Deutsche Bank AG, London Branch.

The terms and conditions of the ATU Notes will include limited recourse and non-petition covenants which are binding on the holders of ATU Notes.

Loan Conversion Option

Each of the ATU Noteholders have the option to convert their respective ATU Notes into the corresponding tranche of the ATU Loan, subject to the terms of the ATU Loan Agreement, the ATU Issuer Note Trust Deed, the ATU Issuer Servicing Agreement and the ATU Intercreditor Deed. Any such exercise by the Issuer of its loan conversion option will be subject to the receipt of Rating Agency Confirmations from at least two of the Rating Agencies.

THE SWISS NOTE

The Swiss Issuer

DECO – PE2 Swiss AG is the Swiss Issuer. The Swiss Issuer is a company (*Aktiengesellschaft*) incorporated in Switzerland on 22nd November 2005, registered in the commercial register (*Handelsregister*) of the Canton of Zurich registered number CH-020.3.029.261-1.

The registered office of the Swiss Issuer is at c/o Treureva AG, Muehlebachstrasse 25, 8008 Zurich. The sole director of the Swiss Issuer is Kaspar Hofmann of Haldenstrasse 35, CH-8134 Adliswil.

Under the Swiss Issuer's constitutional documents, the purpose for which the Swiss Issuer is established includes, among other things, the acquisition and management of financial assets and the financing thereof by any applicable means including the issue of notes, including the Swiss Note and the Swiss Subordinated Note, together with related activities ancillary thereto. Since the date of its incorporation, the Swiss Issuer has not engaged in any activity other than those permitted under its constitutional documents, nor has it traded, made any profits or losses or paid any dividends.

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

The Swiss Issuer has entered into a number of contracts in connection with the issue of the Swiss Note, the acquisition of the Swiss Assets and for the provision of administrative, secretarial, legal and tax services to it.

The capitalisation and indebtedness of the Swiss Issuer as at the date of this Offering Circular is as follows:

The Swiss Issuer has an issued share capital of CHF 100,000 and a surplus of CHF 50,000. The share capital is divided into 100 registered shares with a par value of CHF 1,000 each. All shares of the Swiss Issuer are fully paid up and issued. Each share is entitled to one vote.

There is no authorised or conditional share capital.

Resolutions are passed and elections are determined at the annual general meeting by an absolute majority of shares, except for the following resolutions which, according to the articles of incorporation of the Swiss Issuer, need a majority of at least two thirds of the shares held by those present at the relevant shareholders' meeting and at the same time an absolute majority of all shares issued:

(i) amendment to the articles of incorporation (including decisions that result in a de facto change of the company's purpose);

(ii) sale of all or a considerable part of the assets, if this leads to a *de facto* liquidation of the company;

(iii) in all cases as required by mandatory rules of Swiss law;

(iv) changes to the restrictions on the transferability of registered shares and the alleviation or revocation of such restrictions;

(v) conversion of bearer shares to registered shares;

(vi) increase of the company's share capital; and

(vii) change of the company's domicile.

The current shareholders of the Swiss Issuer are:

Shareholder	Shareholding (per cent)
CFMB GmbH, Chamerstrasse 50, CH-6300 Zug	34
Mr Matthias Jermann, Dreihubelweg 8c, CH-3250 Lyss	33
Mr Kaspar Hofmann, Haldenstrasse 36, CH-8134 Adliswil	33

The shareholders have entered into a shareholders' agreement pursuant to which they have given undertakings to each other to take such steps as are required to give effect to the transactions as described in this Offering Circular. A sale of shares in breach of the shareholders' agreement would not be void. A transfer of shares would, however, in any case be subject to the restrictive transfer provisions of the Swiss Issuer's articles of incorporation.

The sole director of the Swiss Issuer is Kaspar Hofmann.

The contractual creditors of the Swiss Issuer have agreed that, in respect of amounts payable by the Swiss Issuer under the Transaction Documents to which it is a party, they shall only have recourse against the Swiss Issuer if and to the extent that the Swiss Issuer has funds available for such purpose after any and all other obligations of the Swiss Issuer which have a higher ranking in accordance with the Swiss Issuer's priority of payments have been paid or provided for in full.

The Swiss Issuer has no outstanding indebtedness, though it will issue the Swiss Note and the Swiss Subordinated Note.

PricewaterhouseCoopers AG has been appointed by the Swiss Issuer as its statutory auditor. No statutory financial statements of the Swiss Issuer have been drawn up and audited for any period since its establishment.

General provisions applicable to the Swiss Note and the Swiss Subordinated Note

The Swiss Note will be issued on the Closing Date in an aggregate principal amount of CHF 170,100,000 and the Swiss Subordinated Note will be issued on the Closing Date in an aggregate principal amount of CHF 16,406,000. The Swiss Note will be issued in certificated form with its terms and conditions attached. Title to the Swiss Note will pass upon endorsement of the Swiss Note, affecting such transfer.

The Issuer and the Swiss Subordinated Lender will subscribe for the Swiss Note or, as applicable, the Swiss Subordinated Note at par on the Closing Date, in the case of the Issuer out of a portion of the proceeds raised from the issue of the Note, pursuant to a subscription agreement between it and the Swiss Issuer.

The amount of interest paid and principal repaid in respect of the Swiss Note on any Swiss Note Interest Payment Date is dependent upon the amount of interest and principal paid and repaid in respect of the Swiss Loan in the collection period immediately preceding such Swiss Note Interest Payment Date, as well as upon the expenses of the Swiss Issuer which are met out of cash-flow received in respect of the Swiss Loan in accordance with the Swiss Issuer Priority of Payments.

The Swiss Note will not be the obligation or responsibility of any person other than the Swiss Issuer. In particular, but without limitation, the Swiss Note will not be the obligation or responsibility of, or be guaranteed by the Swiss Originator, any of the Swiss Issuer Related Parties or any of their respective affiliates and none of such persons accepts any liability whatsoever in respect of any failure by the Swiss Issuer to make payments of any amounts due in respect of the Swiss Note or the Swiss Subordinated Note.

Summary of Terms and Conditions of the Swiss Note

The primary terms and conditions of the Swiss Note are set out below.

Form, Denomination and Title

Title to the Swiss Note will pass upon endorsement of the Swiss Note by the transferee. The Swiss Issuer may treat the specified holder of the Swiss Note (the "**Swiss Noteholder**") as the absolute owner for all purposes.

Transfers

Prior to the enforcement of the Issuer Security, it is anticipated that only the Issuer will be the Swiss Noteholder in respect of the Swiss Note. Following enforcement of the Issuer Security with respect to the Swiss Note, the Swiss Note may be transferred (subject to the restrictions contained in the Swiss Note Subscription Agreement) in whole or in part by the transferor depositing the Swiss Note certificate for endorsement in respect of such transfer with the Swiss Issuer Corporate Services Provider, with a duly completed form of transfer. Upon such receipt, the Swiss Issuer Corporate Services Provider will authenticate and deliver a new certificate to the transferee for the appropriate principal amount and maintain a record of the transfer of the Swiss Note or will otherwise procure that such actions are taken by the Swiss Issuer.

The Swiss Issuer will (subject to the restrictions contained in the Swiss Note Subscription Agreement) fully cooperate with the Swiss Noteholder in facilitating a permissible transfer of the Swiss Note, including obtaining any registrations which may be required under any applicable securities laws.

No Security and Events of Default

There is no specific securitisation law in Switzerland. As such, the Swiss Note is constituted in accordance with general principles of Swiss law. The Swiss Note will be an unsecured obligation of the Swiss Issuer. The Issuer, as holder of the Swiss Note, will therefore have neither a security interest in nor any other rights in respect of the Swiss Assets. However, as the Swiss Assets are the only assets of the Swiss Issuer and, therefore, the only source of funds from which the Swiss Issuer can meet its payment obligations under the Swiss Note, the Swiss Issuer will covenant in the terms and conditions of the Swiss Note that it will exercise its powers and enforce its rights in respect of the Swiss Assets in a manner which is consistent with the maximisation of the proceeds thereof and that it will not act in a manner which is prejudicial to the interests of the holders of the Swiss Note.

The obligation to repay the principal amount outstanding in respect of the Swiss Note can be accelerated by the Swiss Noteholder following the occurrence of an event of default under the terms and conditions of the Swiss Note. Such an event of default will occur if:

(a) subject to it having funds available for this purpose, the Swiss Issuer defaults for a period of five days in the payment of any amount of interest on or the repayment of any amount of principal of the Swiss Note;

(b) subject to grace or cure periods, the Swiss Issuer defaults in the performance or observance of any obligations under the terms and conditions of the Swiss Note or any of the transaction documents to which the Swiss Issuer is a party; and

(c) certain insolvency related events occur in respect of the Swiss Issuer.

Interest

Interest on the Swiss Note shall be payable on each Swiss Note Interest Payment Date on an available funds basis, in an amount equal to all amounts credited to the Swiss Issuer Transaction Account pursuant to sub-paragraph (c) of the Swiss Available Interest Receipts Priority of Payments on such date. Swiss Available Interest Receipts applied in accordance with the Swiss Available Interest Receipts Priority of Payments will, for the avoidance of doubt, include all amounts payable in respect of the Swiss Loan less amounts which are payable to the Swiss Subordinated Lender.

Redemption and Cancellation

Unless previously redeemed in full, the Swiss Note shall be redeemed at the Swiss Note Principal Amount Outstanding on the Swiss Note Maturity Date, less any principal losses arising in respect of the Swiss Loan. The "**Swiss Note Principal Amount Outstanding**" at any time is the aggregate principal amount of the Swiss Note on the Closing Date less any amount of principal prepaid thereon from time to time, which should be the same as the principal balance of the Swiss Loan from time to time.

After the Swiss Note Maturity Date, any Swiss Note Principal Amount Outstanding shall be automatically cancelled, so that the Swiss Noteholder, after such date, shall have no right to assert a claim in this respect against the Swiss Issuer, regardless of the amounts that may remain unpaid after the Swiss Note Maturity Date.

The Swiss Note shall be subject to mandatory redemption in whole or in part in the event of any repayment or prepayment in whole or in part of the Swiss Loan by the Swiss Borrower or repurchase of the Swiss Loan pursuant to the Swiss Asset Transfer Agreement or disposal of the Swiss Loan following the occurrence of any event of default in respect of the Swiss Note.

The Swiss Note shall be mandatorily redeemed in full if:

(a) by virtue of a change in law after the Closing Date, payments on the Swiss Note become subject to any withholding or deduction for tax; or

(b) by virtue of a change in law after the Closing Date, the amounts receivable by the Swiss Issuer under or in respect of the Swiss Assets are reduced,

subject to the Swiss Issuer having sufficient funds available to it to discharge all liabilities connected with the Swiss Note.

Calculation and Application of Amounts

In respect of the Swiss Note, the Swiss Issuer shall:

(a) on each Swiss Note Interest Payment Date and on any other day on which the Swiss Issuer is obliged to make a Swiss Issuer Priority Payment, pay the Swiss Issuer Priority Payments as and when they fall due;

(b) on each Swiss Note Interest Payment Date, apply the Swiss Available Interest Receipts (if any) then available in accordance with the Swiss Available Interest Receipts Priority of Payments; and

(c) on each Swiss Note Interest Payment Date, apply the Swiss Available Principal Receipts (if any) then available in or towards repayment of the aggregate principal amount outstanding of the Swiss Note.

Tax

All payments by, or on behalf of, the Swiss Issuer in respect of the Swiss Note shall be made free and clear of and without withholding or deduction for or on account of tax, except to the extent that the deduction or withholding is required by law. In the event that a withholding or deduction is imposed for or on account of tax, the Swiss Issuer will not be obliged to pay additional amounts in respect of any such withholding or deduction so that the recipient of such payment will bear the risk of such deduction or withholding being imposed.

An application has been made on behalf of the Swiss Issuer for an advance tax ruling from the Swiss Federal Tax Administration and the Zurich Cantonal Tax Administration, which is to confirm that, as a matter of Swiss law, no withholding or deduction will be imposed for or on account of tax in respect of payments to the Issuer under the Swiss Note as at the date of this Offering Circular. Corresponding confirmations have been received on 6th December 2005 and 7th December 2005 (as to the Swiss Federal Tax Administration) and 16th December 2005 (as to the Zurich Cantonal Tax Administration). This does not, however, preclude a tax liability arising in respect of the Swiss Note as a result of a change in law or if the Issuer ceases to be the sole holder of the Swiss Note.

As at the date of this Offering Circular, the Issuer is beneficially entitled to all payments of interest and principal under the Swiss Note.

Governing Law

The Swiss Note shall be governed by and construed in accordance with the laws of Switzerland.

Limited Recourse

Any claim that the Swiss Noteholder has against the Swiss Issuer in respect of the Swiss Note shall be limited to the value of the Swiss Assets and amounts realised on enforcement of security in respect thereof. While no security has been granted by the Swiss Issuer over the Swiss Assets, the proceeds of realisation of the Swiss Assets may, after paying or providing for all prior ranking claims of the Swiss Issuer, be less than sums due to the Swiss Noteholder in respect of the Swiss Note. In such event, any shortfall in the amount due to the Swiss Noteholder under the Swiss Note will be extinguished. For the avoidance of doubt, no claim may be made on any other assets of the Swiss Issuer. The Swiss Issuer will have no recourse against the Swiss Originator

save as provided for in the Swiss Asset Transfer Agreement, such recourse being restricted to breaches of the representations and warranties thereunder.

Swiss Subordinated Note issued by the Swiss Issuer

In addition to the Swiss Note, the Swiss Issuer will, in connection with the Swiss Loans issue an additional note to the Swiss Subordinated Lender, described in this Offering Circular as the Swiss Subordinated Note. The Subordinated Lender and the Issuer as the Senior Lender will enter into a Intercreditor Deed which will regulate the priority of payments between the Swiss Note and the Swiss Subordinated Note. The holder of the Swiss Subordinated Note shall be the Swiss Subordinated Lender in relation to the Swiss Loan, and the term "**Swiss Subordinated Lender**" as used in this Offering Circular shall be construed accordingly. On the Closing Date, the Swiss Subordinated Lender may be Deutsche Bank AG, London Branch. The terms and conditions of the Swiss Subordinated Note will include limited recourse and non-petition covenants which are binding on the Swiss Subordinated Lender.

Additional Issuance

It is contemplated that the Swiss Issuer may, in the future issue other notes, unconnected with the transaction described in the Offering Circular. Any such issuance will be subject to the receipt of Rating Agency Confirmation from each of the Rating Agencies, but will not require the consent of the holders of the Swiss Note, the Swiss Subordinated Note or the Notes.

THE LOANS AND RELATED PROPERTY SUMMARIES

Portfolio Characteristics – Senior Loan

Loan Number	Loan Name	Funding Date	Senior Loan Balance (€)[1]	% of Senior Balance	Senior Loan LTV[2]	Senior Loan Maturity LTV[2]	Senior Loan Rate[3]	Senior Loan U/W ICR	Senior Loan U/W DSCR	Senior Loan Exit Debt Yield[4]	Remaining Term (years)[5]
1	ATU	03 August 2005	470,595,000	30.2%	64.3%	64.3%	4.63%	2.43x	2.43x	11.2%	6.7
2	Karstadt Kompakt	02 September 2005	305,641,461	19.6%	68.4%	55.9%	4.98%	2.42x	1.70x	14.7%	6.7
3	Tiago	10 November 2005	217,200,000	14.0%	60.0%	60.0%	4.17%	2.45x	2.45x	10.3%	7.0
4	A10 Shopping Center	12 December 2005	173,304,000	11.1%	78.4%	66.1%	4.45%	1.73x	1.27x	9.1%	10.0
5	World Fashion Centre	27 February 2006	117,000,000	7.5%	79.7%	71.7%	4.88%	1.93x	1.37x	10.4%	5.2
6	Coop	27 October 2005	109,003,525	7.0%	82.3%	72.0%	3.16%	2.32x	1.93x	8.4%	7.0
7	Procom	31 August 2005	60,705,120	3.9%	78.4%	75.5%	3.81%	2.39x	2.39x	9.4%	4.7
8	Jargonnant	29 August 2005	49,071,936	3.2%	80.1%	71.5%	4.10%	1.77x	1.35x	8.1%	6.7
9	GWK	01 December 2005	43,000,000	2.8%	73.4%	64.6%	4.24%	1.68x	1.20x	8.1%	7.2
10	Schmeing	26 August 2005	10,644,237	0.7%	84.4%	74.7%	4.35%	2.16x	1.54x	10.6%	6.7
	Total / Weighted Average		**1,556,165,278**	**100.0%**	**69.9%**	**64.2%**	**4.47%**	**2.26x**	**1.97x**	**11.0%**	**7.0[6]**

Portfolio Characteristics – Whole Loan

Loan Number	Loan Name	Whole Loan Balance (€)[1]	Senior Loan Balance (€)[1]	Subordinate Loan Balance (€)	Whole Loan LTV[2]	Whole Loan Maturity LTV[2]	Whole Loan Rate[3]	Whole Loan U/W ICR	Whole Loan U/W DSCR	Whole Loan Exit Debt Yield[4]	Remaining Term (years)[5]
1	ATU	666,150,000	470,595,000	195,555,000	91.1%	73.3%	5.24%	1.52x	1.04x	9.9%	6.7
2	Karstadt Kompakt	305,641,461	305,641,461	Nil	68.4%	55.9%	4.98%	2.42x	1.70x	14.7%	6.7
3	Tiago	217,200,000	217,200,000	Nil	60.0%	60.0%	4.17%	2.45x	2.45x	10.3%	7.0
4	A10 Shopping Center	173,304,000	173,304,000	Nil	78.4%	66.1%	4.45%	1.73x	1.27x	9.1%	10.0
5	World Fashion Centre	117,000,000	117,000,000	Nil	79.7%	71.7%	4.88%	1.93x	1.37x	10.4%	5.2
6	Coop	119,516,822	109,003,525	10,513,297	90.2%	78.9%	3.45%	1.94x	1.64x	7.6%	7.0
7	Procom	66,806,041	60,705,120	6,100,921	86.3%	83.0%	4.09%	2.02x	2.02x	8.6%	4.7
8	Jargonnant	52,079,696	49,071,936	3,007,761	85.0%	75.9%	4.36%	1.57x	1.22x	7.6%	6.7
9	GWK	43,000,000	43,000,000	Nil	73.4%	64.6%	4.24%	1.68x	1.20x	8.1%	7.2
10	Schmeing	10,644,237	10,644,237	Nil	84.4%	74.7%	4.35%	2.16x	1.54x	10.6%	6.7
	Total / Weighted Average	**1,771,342,257**	**1,556,165,278**	**215,176,978**	**80.5%**	**68.4%**	**4.74%**	**1.89x**	**1.46x**	**10.4%**	**6.9**

1) As at loan origination or the last Loan Interest Payment Date, whichever is the later.
2) Calculated using Property Market Value.
3) Inclusive of base rate and margin.
4) U/W Net Income divided by Projected Balance at Maturity.
5) Calculated as at 30 January 2006.
6) Calculated as a weighted average of the Senior Loan Balance, therefore can differ to the remaining term weighted by the Whole Loan Balance.

Portfolio Characteristics – Property Level

Loan Number	Loan Name	Property Value (€)	ERV (€)	Net U/W Income (€)	Net U/W Initial Yield	Location	Property Type	No. of Properties	No. of Tenants	Occupancy by Area	WA Lease Term (Years)
1	ATU	731,380,000	50,409,296	52,925,250	7.2%	Germany	Retail / Auto	273	33	100.0%	14.3
2	Karstadt Kompakt	446,518,702	41,182,265	36,820,992	8.2%	Germany	Retail	65	1	100.0%	13.9
3	Tiago	362,000,000	20,002,172	22,398,144	6.2%	Germany	Office	3	10	97.0%	8.7
4	A10 Shopping Center	221,000,000	16,082,539	13,367,875	6.0%	Germany	Retail	1	114	85.9%	7.1
5	World Fashion Centre	146,890,000	15,551,808	11,002,787	7.5%	Netherlands	Office / Exhibition Centre	2	337	86.6%	1.9
6	Coop	132,476,770	9,198,199	7,996,375	6.0%	Switzerland	Retail	45	96	94.8%	12.2
7	Procom	77,430,000	6,247,490	5,519,273	7.1%	Germany	Retail	8	55	96.5%	12.9
8	Jargonnant	61,274,699	6,442,174	3,557,712	5.8%	Germany	Multi-Family	33	1,599	89.1%	N/A
9	GWK	58,606,014	4,547,998	3,060,240	5.2%	Germany	Multi-Family	66	1,378	97.5%	N/A
10	Schmeing	12,615,000	1,040,230	999,674	7.9%	Germany	Retail	3	16	100.0%	9.6
Total / Weighted Average		2,250,191,186	170,704,172	157,648,324	7.1%			499	**3,639**	**97.0%**	**10.9**

Senior Loan Characteristics

Current Balance (€)	Number of Loans	Aggregate Loan Balance (€)	% of Pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
10,000,000 < > 50,000,000	3	102,716,173	6.6%	132,495,713	77.7%	69.0%	6.9	1.77x	1.31x	8.4%
50,000,001 < > 100,000,000	1	60,705,120	3.9%	77,430,000	78.4%	75.5%	4.7	2.39x	2.39x	9.4%
100,000,001 < > 250,000,001	4	616,507,525	39.6%	862,366,770	72.8%	65.8%	7.5	2.13x	1.82x	9.7%
Greater than 250,000,001	2	776,236,461	49.9%	1,177,898,702	66.0%	61.4%	6.7	2.42x	2.14x	12.5%
Total / Weighted Average	10	1,556,165,278	100.0%	2,250,191,186	69.9%	64.2%	7.0	2.26x	1.97x	11.0%

LTV	Number of Loans	Aggregate Senior Loan Balance (€)	% of Pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
55% < > 65%	2	687,795,000	44.2%	1,093,380,000	63.0%	63.0%	6.8	2.43x	2.43x	11.0%
66% < > 75%	2	348,641,461	22.4%	505,124,716	69.1%	57.1%	6.8	2.33x	1.64x	13.9%
76% < > 80%	4	400,081,056	25.7%	506,594,699	79.0%	70.0%	7.4	1.89x	1.48x	9.5%
Greater than 80%	2	119,647,761	7.7%	145,091,770	82.5%	72.2%	7.0	2.31x	1.90x	8.6%
Total / Weighted Average	10	1,556,165,278	100.0%	2,250,191,186	69.9%	64.2%	7.0	2.26x	1.97x	11.0%

Maturity LTV	Number of Loans	Aggregate Maturity Balance (€)	% of Pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
55% < > 65%	4	975,319,461	68.0%	1,598,504,716	65.0%	61.2%	6.8	2.40x	2.17x	11.8%
66% < > 70%	1	146,160,000	10.2%	221,000,000	78.4%	66.1%	10.0	1.73x	1.27x	9.1%
Greater than 70%	5	312,335,361	21.8%	430,686,470	80.5%	72.6%	5.9	2.12x	1.73x	9.3%
Total / Weighted Average	**10**	**1,433,834,822**	**100.0%**	**2,250,191,186**	**69.9%**	**64.2%**	**7.0**	**2.26x**	**1.97x**	**11.0%**

Senior Loan Characteristics

ICR	Number of Loans	Aggregate Loan Balance (€)	% of pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
1.60x < > 2.00x	4	382,375,936	24.6%	487,770,713	78.4%	68.4%	7.8	1.79x	1.30x	9.3%
2.01x < > 2.30x	1	10,644,237	0.7%	12,615,000	84.4%	74.7%	6.7	2.16x	1.54x	10.6%
Greater than 2.31x	5	1,163,145,106	74.7%	1,749,805,472	67.0%	62.8%	6.7	2.42x	2.19x	11.5%
Total / Weighted Average	**10**	**1,556,165,278**	**100.0%**	**2,250,191,186**	**69.9%**	**64.2%**	**7.0**	**2.26x**	**1.97x**	**11.0%**

DSCR	Number of Loans	Aggregate Loan Balance (€)	% of pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
1.20x < > 1.85x	6	698,661,634	44.9%	946,904,415	74.2%	63.3%	7.3	2.07x	1.48x	11.6%
1.86x < > 2.35x	1	109,003,525	7.0%	132,476,770	82.3%	72.0%	7.0	2.32x	1.93x	8.4%
Greater than 2.35x	3	748,500,120	48.1%	1,170,810,000	64.2%	63.9%	6.6	2.43x	2.43x	10.8%
Total / Weighted Average	**10**	**1,556,165,278**	**100.0%**	2,250,191,186	**69.9%**	**64.2%**	**7.0**	**2.26x**	**1.97x**	**11.0%**

Remaining Term to Maturity	Number of Loans	Aggregate Loan Balance (€)	% of pool Loan Balance	Market Value (€)	WA LTV	WA Maturity LTV	WA Remaining Term to Maturity (yrs)	WA U/W ICR	WA UW DSCR	WA Exit Debt Yield
4 < > 5	1	60,705,120	3.9%	77,430,000	78.4%	75.5%	4.7	2.39x	2.39x	9.4%
5 < > 6	1	117,000,000	7.5%	146,890,000	79.7%	71.7%	5.2	1.93x	1.37x	10.4%
6 < > 7	6	1,162,156,158	74.7%	1,746,265,172	67.1%	62.6%	6.8	2.39x	2.14x	11.5%
Greater than 7	2	216,304,000	13.9%	279,606,014	77.4%	65.8%	9.4	1.72x	1.26x	8.9%
Total / Weighted Average	**10**	**1,556,165,278**	**100.0%**	**2,250,191,186**	**69.9%**	**64.2%**	**7.0**	**2.26x**	**1.97x**	**11.0%**

ATU – Loan 1

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€672,000,000	€470,595,000	€201,405,000
Current Balance	€666,150,000	€470,595,000	€195,555,000
Projected Balance at Maturity	€536,221,250	€470,595,000	€65,626,250

Loan Purpose:	Acquisition
Funding Date:	3rd August 2005
Maturity Date:	20th October 2012
Remaining Term (as at 30 January 2006):	6.7 years
Interest Type:	Fixed Rate
Loan Coupon:	5.24%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	London & Regional Properties
Sponsor Location:	United Kingdom
Borrower:	Lino Management BV
Borrower Location:	The Netherlands

PROPERTY/TENANCY INFORMATION	
Property Type:	Automotive Retail Stores & Repair Services
No. of Properties:	273
Property Location:	Germany
Year Built/Renovated:	1990s
Tenure:	Freehold / Leasehold
Property/Asset Management:	AtisReal Property Management GmbH
Net Rentable Area: (sqm)	501,057
No. of Rooms/Lettable Units:	N/A
Occupancy	
(% of Rentable Area):	100%
(% of ERV):	100%
Number of Tenants:	33
Number of Leases:	305
Weighted Average Lease Term (as at 30th January 2006):	14.3 years
Anchor/ Main Tenant/s:	ATU
Rating (F / M / S):	- / B1 / B+
(% of Rentable Area):	97.2%
(% of Gross Rent):	97.9 %

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV below 95.0%
Cash Trap:	ICR below 1.40x
Amortisation:	Scheduled Amortisation (Applied to C Note only)

FINANCIAL INFORMATION	
Purchase Price:	€687,000,000
MV:	€731,380,000
MV Per Sq. m / Unit:	€1,460
Valuer:	CB Richard Ellis
Date of Valuation:	February 2006
VPV:	€623,150,000
Total Gross Rent:	€53,374,253
ERV:	€50,409,296
Net Income (U/W):	€52,925,250

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.43x		1.52x	
DSCR	2.43x		1.04x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	64.3%	64.3%	91.1%	73.3%
LTVPV	75.5%	75.5%	106.9%	86.1%

The Loan

The ATU Loan was originated by Deutsche Bank AG, London Branch on 3rd August 2005 and is primarily secured by mortgages under German law. The ATU Loan was granted for the purpose of enabling the relevant Borrower to finance the acquisition of the relevant German Properties.

The Borrower

The Borrower is a private Dutch incorporated limited company. The Borrower was established for the purposes of acquiring the relevant Property.

The Portfolio

The portfolio consists of 273 service outlets located throughout Germany. By value, 72% of the portfolio is located in West Germany, with the balance in Berlin (7%) and the rest of East Germany (21%). The core assets comprise 268 of ATU's outlets together with ATU's office headquarters and four logistic/ancilliary buildings all located in Weiden.

Property Management

The portfolio is managed by AtisReal Property Management GmbH under a management agreement.

Description of Tenants

The properties are primarily occupied by a single tenant, Auto-Teile-Unger GmbH & Co. KG ("**ATU**"), together with 28 third party tenants that contribute approximately 2% of the total rental income.

KARSTADT KOMPAKT – LOAN 2

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€320,000,000	€320,000,000	€0
Current Balance	€305,641,461	€305,641,461	€0
Projected Balance at Maturity	€248,641,641	€249,641,461	€0

Loan Purpose:	Acquisition
Funding Date:	2nd September 2005
Maturity Date:	20th October 2012
Remaining Term (as at 30th January 2006):	6.7 years
Interest Type:	Fixed Rate
Loan Coupon:	4.98%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	Dawnay Day / Hilco
Sponsor Location:	London
Borrower:	HIDD BERLIN-MOABIT B.V. and 64 other borrowers
Borrower Location:	Netherlands

PROPERTY/TENANCY INFORMATION	
Property Type:	Retail
No. of Properties:	65
Property Location:	Various across Germany
Year Built/Renovated:	1960 – 1980
Tenure:	Freehold
Property/Asset Management:	Kempers
Net Rentable Area: (sqm)	575,177
No. of Rooms/Lettable Units:	N/A
Occupancy	
(% of Rentable Area):	100.0%
(% of ERV):	100.0%
Number of Tenants:	1
Number of Leases:	65
Weighted Average Lease Term (as at 30th January 2006):	13.9 years
Anchor/ Main Tenant/s:	Karstadt Kompakt
Rating (F / M / S):	N/A
(% of Rentable Area):	100%
(% of Gross Rent):	100%
Property Type:	Retail

ADDITIONAL LOAN FEATURES	
Reserves:	Capex reserve of €15 million
Cash Trap:	DSCR Below 1.50x / LTV above 70%
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	N/A
MV:	€446,518,702
MV Per Sq. m / Unit:	€776
Valuer:	Cushman & Wakefield Healey & Baker
Date of Valuation:	September 2005
VPV:	€349,884,410
Total Gross Rent:	€41,182,265
ERV:	€41,182,265
Net Income (U/W):	€36,820,992

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.42x		2.42x	
DSCR	1.70x		1.70x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	68.4%	55.9%	68.4%	55.9%
LTVPV	87.4%	71.4%	87.4%	71.4%

The Loan

The Karstadt Kompakt Loan was originated by Deutsche Bank AG, London Branch on 2nd September 2005. The Loan is primarily secured by mortgages under German Law. The Karstadt Kompakt Loan was granted for the purpose of enabling the Borrowers to finance the acquisition of the relevant German Properties.

The Borrower

Each of the Borrowers is a private company with limited liability incorporated under Dutch law. The Borrowers were established for the purposes of acquiring the relevant German Properties.

The Portfolio

The portfolio consists of 65 retail properties located throughout the Federal Republic of Germany. The locations are generally in small to medium sized towns or in suburban locations of major cities. The properties are constructed either as three to five storey department stores or as two storey malls. Almost all the department stores are located in Western Germany.

Property Management

The portfolio is managed by Kempers under a management agreement.

Description of Tenants

All the properties are solely occupied by Karstadt Kompakt GmbH. Karstadt Kompakt is the largest department store chain in Germany in the lower-to-mid market segment. The Karstadt Kompakt department stores offer products covering expected basic needs, regional specific needs and niche market needs.

TIAGO – LOAN 3

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€217,200,000	€217,200,000	€0
Current Balance	€217,200,000	€217,200,000	€0
Projected Balance at Maturity	€217,200,000	€217,200,000	€0

Loan Purpose:	Acquisition
Funding Date:	10th November 2005
Maturity Date:	20th January 2013
Remaining Term (as at 30th January 2006):	7.0 years
Interest Type:	Fixed Rate
Loan Coupon:	4.17%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	Rubicon Asset Management Ltd
Sponsor Location:	Australia
Borrower:	Tiago German Properties GmbH & Co KG
Borrower Location:	Germany

PROPERTY/TENANCY INFORMATION	
Property Type:	Office
No. of Properties:	3
Property Location:	Frankfurt / Berlin
Year Built/Renovated:	1994 – 2004
Tenure:	Freehold
Property/Asset Management:	DTZ
Net Rentable Area: (sqm)	122,615
No. of Rooms/Lettable Units:	N/A
Occupancy	
(% of Rentable Area):	97.0%
(% of ERV):	96.1%
Number of Tenants:	10
Number of Leases:	12
Weighted Average Lease Term (as at 30th January 2006):	8.7 years (to 1st Break) 10.6 years (to expiry)
Anchor/ Main Tenant/s	Deutsche Bahn / PwC / Hochtief
Rating (F / M / S):	- / AA / Aa1 (Deutsche Bahn)
(% of Rentable Area):	87.3%
(% of Gross Rent):	88.9%

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV above 75.0% ICR below 2.00x
Cash Trap:	N/A
Amortisation:	Interest Only

FINANCIAL INFORMATION	
Purchase Price:	€362,000,000
MV:	€362,000,000
MV Per Sq. m / Unit:	€2,952
Valuer:	CB Richard Ellis
Date of Valuation:	November 2005
VPV:	€245,000,000
Total Gross Rent:	€22,793,606
ERV:	€20,002,172
Net Income (U/W):	€22,398,144

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.45x		2.45x	
DSCR	2.45x		2.45x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	60.0%	60.0%	60.0%	60.0%
LTVPV	88.7%	88.7%	88.7%	88.7%

The Loan

The Tiago Loan was originated by Deutsche Bank AG, London Branch on 10th November 2005. The Tiago Loan is primarily secured by mortgages under German Law. The Tiago Loan was granted for the purposes of enabling the borrower to finance the acquisition of the relevant German Properties.

The Borrower

Each of the Borrowers is a limited partnership organised under German law. Each Borrower was established for the purposes of acquiring the relevant German Properties.

The Portfolio

The portfolio consists of three institutional quality office properties that contain 122,615 sqm, and are located in Frankfurt and Berlin. Two of the properties, Campus Carre and Olof-Palme Strasse are located in Frankfurt. The third property, Stettiner Carre, is located in Berlin. Each of the properties is anchored by a major tenant.

Property Management

The portfolio is managed by DTZ under a management agreement.

Description of Tenants

The largest tenant in the portfolio is Deutsche Bahn, which occupies the Stettiner Carre building. Deutsche Bahn accounts for 44% of the total portfolio rent. Deutsche Bahn is rated AA stable (S&P). PricewaterhouseCoopers occupies the Olof-Palme Strasse and accounts for 28% of the total portfolio rent. The third largest tenant is Hochtief Construction AG which occupies the Campus Carre building. Hochtief accounts for 18% of total portfolio rent.

A10 SHOPPING CENTER – LOAN 4

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€174,000,000	€174,000,000	€0
Current Balance	€173,304,000	€173,304,000	€0
Projected Balance at Maturity	€146,160,000	€146,160,000	€0

Loan Purpose:	Refinance
Funding Date:	12th December 2005
Maturity Date:	20th January 2016
Remaining Term (as at 30th January 2006):	10.0 years
Interest Type:	Fixed Rate
Loan Coupon:	4.45%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	Dr. Ebertz & Partner
Sponsor Location:	Germany
Borrower:	A10 Einkaufszentrum Wildau Dr. Herbert Ebertz KG
Borrower Location:	Germany

PROPERTY/TENANCY INFORMATION	
Property Type:	Retail
No. of Properties:	1
Property Location:	Wildau, near Berlin
Year Built/Renovated:	1994 / 1999
Tenure:	Freehold
Property/Asset Management:	CEV Center Entwicklungs und Verwaltungs GmbH
Net Rentable Area: (sqm)	127,022
No. of Rooms/Lettable Units:	N/A
Occupancy	
(% of Rentable Area):	97.8%
(% of ERV):	98.5%
Number of Tenants:	114
Number of Leases:	142
Weighted Average Lease Term (as at 30th January 2006):	7.1 years
Anchor/ Main Tenant/s:	Real[1]
Rating (F / M / S):	BBB/Baa1/BBB
(% of Rentable Area):	15.9%
(% of Gross Rent):	21.0%

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV below 80.8% DSCR above 1.05x
Cash Trap:	DSCR below 1.20x
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	N/A
MV:	€221,000,000
MV Per Sq. m / Unit:	€1,740
Valuer:	Jones Lang LaSalle
Date of Valuation:	November 2005
VPV:	€167,400,000
Total Gross Rent:	€14,379,242
ERV:	€16,082,539
Net Income (U/W):	€13,367,875

[1] Rating of Real's parent company, Metro AG.

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	1.73x		1.73x	
DSCR	1.28x		1.28x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	78.4%	66.1%	78.4%	66.1%
LTVPV	103.5%	87.3%	103.5%	87.3%

The Loan

The A10 Shopping Center Loan was originated by Deutsche Bank AG, London Branch on 12th December 2005. The A10 Shopping Center Loan is primarily secured by first ranking mortgages under German Law. The A10 Shopping Center Loan was granted for the purposes of refinancing the acquisition of the relevant German Property.

The Borrower

The Borrower was established in 1996 and is structured as a limited partnership under German Law. The limited partnership owns and operates only the relevant Property.

The Property

The Property is a regional shopping centre constructed in 1994 that features 127,022 sqm of retail and leisure area. Located on the A10 Berliner Ring in Wildau, Brandenburg, the property is approximately 35 km south of Berlin.

The Property consists of a large Class A shopping centre; containing an entertainment centre (including a movie theatre complex, restaurants, a bowling alley, a discotheque as well as a gym and wellness area).

Property Management

The Property is managed by CEV Center Entwicklungs und Verwaltungs GmbH ("**CEV**"). CEV is part of the Edeka/AVA Group.

Description of Tenants

The Property has 114 tenants. Real is the largest tenant and accounts for 15.9% of the total area and 21.0% of the in-place rental income with a lease expiring in December 2016. Real is a wholly owned subsidiary of Metro AG (BBB/Baa1/BBB). Bauhaus is the second largest tenant accounting for 15.8% of the total area and 8.2% of the in-place rental income with a lease expiring in September 2019. Hennes & Mauritz (H&M) is the third largest tenant accounting for 1.6% of the total area and 4.4% of the in-place rental income with a lease expiring in December 2007.

WFC – Loan 5

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€117,000,000	€117,000,000	€0
Current Balance	€117,000,000	€117,000,000	€0
Projected Balance at Maturity	€105,300,000	€105,300,000	€0
Loan Purpose:	Refinance		
Funding Date:	27th February 2006		
Maturity Date:	20th April 2011		
Remaining Term (as at 30th January 2006):	5.2 years		
Interest Type:	Fixed Rate		
Loan Coupon:	4.88%		
Primary Loan Security:	Mortgage		
Governing Law:	England (Loan) / Netherlands (Security)		
Sponsor:	World Fashion Centre Amsterdam Holding N.V.		
Sponsor Location:	The Netherlands		
Borrower:	Newly incorporated Dutch SPV		
Borrower Location:	The Netherlands		

PROPERTY/TENANCY INFORMATION	
Property Type:	Office / Exhibition Centre
No. of Properties:	2
Property Location:	Amsterdam, Netherlands
Year Built/Renovated:	1968 – 2005
Tenure:	Perpetual Leasehold
Property/Asset Management:	World Fashion Centre Amsterdam B.V.
Net Rentable Area: (sqm)	79,148
No. of Rooms/Lettable Units:	482
Occupancy	
(% of Rentable Area):	86.6%
(% of ERV):	88.5%
Number of Tenants:	337
Number of Leases:	337
Weighted Average Lease Term (as at 30th January 2006):	1.9 years
Anchor/ Main Tenant/s:	N/A
Rating (F / M / S):	N/A
(% of Rentable Area):	N/A
(% of Gross Rent):	N/A

ADDITIONAL LOAN FEATURES	
Reserves:	€407,234.13
Covenants:	LTV below 85.0% DSCR above 1.05x
Cash Trap:	DSCR below 1.30x
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	€146,890,000
MV:	€146,890,000
MV Per Sq. m / Unit:	€1,856
Valuer:	CB Richard Ellis
Date of Valuation:	September 2005
VPV:	€125,770,000
Total Gross Rent:	€13,330,891
ERV:	€15,551,808
Net Income (U/W):	€11,002,787

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	1.93x		1.93x	
DSCR	1.37x		1.37x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	79.7%	71.7%	79.7%	71.7%
LTVPV	93.0%	83.7%	93.0%	83.7%

The Loan

The WFC Loan was originated by Deutsche Bank AG, London Branch on 27th February 2006 and is primarily secured by mortgages under Dutch law over the relevant Dutch Properties. The WFC Loan was granted for the purpose of enabling the relevant Borrower to refinance the acquisition of the relevant Properties.

The Borrower

The Borrower is a limited liability company incorporated under Dutch Law. The Borrower was established for the purposes of acquiring the relevant Properties.

The Properties

The Properties are an office complex and exhibition hall containing 79,148 sqm of total rentable area with in four interconnecting buildings. The Properties comprise three office Towers (I, II and III) built on a two-storey podium base. A separate Tower (IV) adjoins the main complex and is connected via a first floor walkway.

The collateral consists of the three core towers (I, II and IV) and the Exhibition Hall.

Property Management

The Properties are managed by World Fashion Centre Amsterdam B.V. pursuant to a management agreement

Description of Tenants

The Properties are leased to approximately 337 tenants, who generally occupy subject to leases which are between one and three years in length.

Coop – Loan 6

LOAN INFORMATION			
Balance (CHF)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance:	186,506,000	170,100,000	16,406,000
Current Balance:	186,506,000	170,100,000	16,406,000
Projected Balance at Maturity:	163,192,750	148,837,500	14,355,250

Loan Purpose:	Acquisition
Funding Date:	27th October 2005
Maturity Date:	20th January 2013
Remaining Term (as at 30 January 2006):	7.0 years
Interest Type:	Fixed Rate
Loan Coupon:	3.45%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Switzerland (Security)
Sponsor:	Daniel Zabar
Sponsor Location:	Israel
Borrower:	Swissdeal Properties S.a.r.l
Borrower Location:	Luxembourg

PROPERTY/TENANCY INFORMATION	
Property Type:	Retail
No. of Properties:	45
Property Location:	Switzerland
Year Built/Renovated:	1959 – 2003
Tenure:	Freehold
Property/Asset Management:	Soderim S.A.
Net Rentable Area: (sqm)	79,884
No. of Rooms/Lettable Units:	N/A
Occupancy	
(% of Rentable Area):	94.8%
(% of ERV):	97.5%
Number of Tenants:	96
Number of Leases:	96
Weighted Average Lease Term (as at 30th January 2006):	12.2 years
Anchor/ Main Tenant/s:	Coop
Rating (F / M / S):	Implied IG
(% of Rentable Area):	82.8%
(% of Gross Rent):	84.2%

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV below 92.1% DSCR above 1.05x
Cash Trap:	DSCR below 1.15x
Amortisation:	Scheduled Amortisation

Note: Conversions of Euro into Swiss Francs have been made at the rate of €/CHF 1.5605.

FINANCIAL INFORMATION	
Purchase Price:	CHF 202,500,000
MV:	CHF 206,730,000
MV Per Sq. m / Unit:	CHF 2,588
Valuer:	CB Richard Ellis
Date of Valuation:	September 2005
VPV:	CHF 175,325,000
Total Gross Rent:	CHF 14,006,139
ERV:	CHF 14,353,789
Net Income (U/W):	CHF 12,478,344

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.32x		1.94x	
DSCR	1.93x		1.64x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	82.3%	72.0%	90.2%	78.9%
LTVPV	97.0%	84.9%	106.4%	93.1%

The Loan

The Coop Loan was originated by Deutsche Bank AG, London Branch on 27th October 2005. The Coop Loan is primarily secured by mortgages under Swiss law over the relevant Properties. The Coop Loan was granted for the primary purpose of enabling the relevant Swiss Borrower to finance the acquisition of the relevant Swiss Properties.

The Borrower

The Borrower is a private company with limited liability domiciled in Luxembourg. The Borrower was established for the purpose of acquiring the relevant Swiss Properties.

The Portfolio

The portfolio consists of 45 retail buildings located in 13 Cantons throughout Switzerland. The portfolio has a total net rentable area of 79,884 sqm. The properties range in size from 491 sqm to 8,825 sqm and have an average size of 1,775 sqm. None of the properties represent more than 7.7% of the annual in-place Portfolio rent.

Property Management

The portfolio is managed by Soderim S.A. under a property management agreement.

Description of Tenants

Coop is the portfolio's anchor tenant, occupying 82.8% of the Portfolio area and contributing 84.2% of the total portfolio rental income. Coop is Switzerland's second largest retail company and operates three main lines of business: food, sales outlets and services. The company operates in excess of 1,400 stores and employs over 47,000 people.

PROCOM – LOAN 7

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€66,806,041	€60,705,120	€6,100,921
Current Balance	€66,806,041	€60,705,120	€6,100,921
Projected Balance at Maturity	€64,300,814	€58,428,678	€5,872,136

Loan Purpose:	Acquisition
Funding Date:	31st August 2005
Maturity Date:	20th October 2010
Remaining Term (as at 30th January 2006):	4.7 years
Interest Type:	Fixed Rate
Loan Coupon:	4.09%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	CIT
Sponsor Location:	United Kingdom
Borrower:	8 German KGs
Borrower Location:	Germany

PROPERTY/TENANCY INFORMATION	
Property Type:	Retail
No. of Properties:	8
Property Location:	Mixed Across Germany
Year Built/Renovated:	1994 – 2005
Tenure:	Freehold / Leasehold
Property/Asset Management:	King Sturge GmbH
Net Rentable Area: (sqm)	54,051
No. of Rooms/Lettable Units:	68
Occupancy (% of Rentable Area):	96.5%
(% of ERV):	97.3%
Number of Tenants:	55
Number of Leases:	55
Weighted Average Lease Term (as at 30th January 2006):	12.9 years
Anchor/ Main Tenant/s:	Real[2], Coop, Rewe
Rating (F / M / S):	BBB / Baa1 / BBB (Real[2])
(% of Rentable Area):	57.0%
(% of Gross Rent):	66.8%

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	DSCR below 1.10x
Cash Trap:	DSCR below 1.30x
Amortisation:	Schedule Amortisation

[2] This is the Rating of Real's parent company, Metro AG. Real is 100% owned by Metro AG.

FINANCIAL INFORMATION	
Purchase Price:	€77,027,437
MV:	€77,430,000
MV Per Sq. m / Unit:	€1,433
Valuer:	King Sturge LLP
Date of Valuation:	April 2005
VPV:	€69,400,000
Total Gross Rent:	€6,104,319
ERV:	€6,247,490
Net Income (U/W):	€5,519,273

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.39x		2.02x	
DSCR	2.39x		2.02x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	78.4%	75.5%	86.3%	83.0%
LTVPV	87.5%	84.2%	96.3%	92.7%

The Loan

The Procom Loan was originated by Deutsche Bank AG, London Branch on 31st August 2005. The Procom Loan is primarily secured by a first ranking mortgage under German law over the relevant properties. The Procom Loan was granted for the primary purpose of enabling the relevant German Borrowers to finance the acquisition of the relevant 8 German Properties.

The Borrowers

The Borrowers are eight limited partnerships under German Law, which are jointly and severally liable for the repayment of the Loan.

The Portfolio

The portfolio consists of eight predominantly multi-tenanted neighbourhood retail properties located throughout Germany. The portfolio consists of 54,051 sqm of retail space. Seven of the properties feature freehold ownership tenure, while one of the properties features part freehold/part heritable building right.

Property Management

The portfolio is managed by King Sturge GmbH under a management agreement.

Description of Tenants

The portfolio is currently 96.5% occupied. The portfolios main tenant is Allkauf/Real (BBB/Baa1/BBB via Metro AG) accounting for 43.3% of in-place income. The second largest tenant is Coop accounting for 15.0% of in-place income. The third largest tenant is Rewe accounting for 8.5% of in-place income. The fourth largest tenant is Rheika Delta accounting for 7.7% of in-place income. The fifth largest tenant is Combi accounting for 5.9% of in-place income.

JARGONNANT – LOAN 8

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€52,401,441	€49,375,098	€3,026,342
Current Balance	€52,079,696	€49,071,936	€3,007,761
Projected Balance at Maturity	€46,512,043	€43,825,832	€2,686,212

Loan Purpose:	Acquisition
Funding Date:	29th August 2005
Maturity Date:	20th October 2012
Remaining Term (as at 30th January 2006):	6.7 years
Interest Type:	Fixed Rate
Loan Coupon:	4.36%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	Jargonnant Partners S.a.r.l
Sponsor Location:	Luxembourg
Borrower:	J.P. Residential III S.a.r.l
Borrower Location:	Luxembourg

PROPERTY/TENANCY INFORMATION	
Property Type:	Multi-family
No. of Properties:	33
Property Location:	Berlin, Germany
Year Built/Renovated:	1876 – 1980
Tenure:	Freehold
Property/Asset Management:	MINERVA – Immobilien
Net Rentable Area: (sqm)	108,031
No. of Rooms/Lettable Units:	1,779
Occupancy	
(% of Rentable Area):	89.1%
(% of ERV):	89.9%
Number of Tenants:	1,599
Number of Leases:	1,599
Weighted Average Lease Term (as at 30th January 2006):	N/A
Anchor/ Main Tenant/s:	N/A
Rating (F / M / S):	N/A
(% of Rentable Area):	N/A
(% of Gross Rent):	N/A

ADDITIONAL LOAN FEATURES	
Reserves:	€1,315,000
Covenants:	DSCR above 1.10x
Cash Trap:	DSCR below 1.20x
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	€56,180,000
MV:	€61,274,699
MV Per Sq. m / Unit:	€567
Valuer:	Dr Luebke GmbH
Date of Valuation:	August 2005
VPV:	N/A
Total Gross Rent:	€5,792,825
ERV:	€6,442,174
Net Income (U/W):	€3,557,712

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	1.77x		1.57x	
DSCR	1.35x		1.22x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	80.1%	71.5%	85.0%	75.9%
LTVPV	N/A	N/A	N/A	N/A

The Loan

The Jargonnant Loan was originated by Deutsche Bank AG, London Branch on 29th August 2005. The Jargonnant Loan is primarily secured by mortgages under German law over the relevant multi-family properties. The Jargonnant Loan was granted for the primary purpose of enabling the relevant German Borrower to finance the acquisition of the relevant German Properties.

The Borrower

The Borrower is a limited liability company incorporated in Luxembourg. The Borrower was established for the purpose of acquiring the relevant properties.

The Multi-family Portfolio

The Portfolio consists of 108,031 sqm contained within 33 multi-family properties/six sub-portfolios located in Berlin. Each of the properties features freehold ownership tenure. The portfolio contains 1,729 residential units, 50 commercial units and 110 garages.

Property Management

The portfolio is managed by Minerva – Immobilien under a management agreement.

Description of Tenants

The assets are primarily multi-family properties, some of which include commercial tenants. The commercial tenancies take the form of small retailers (i.e. bakeries, laundries, travel agencies, etc) located on the ground floor of the residential blocks. The commercial tenancy accounts for 13.7% of the in-place underwritten net rental income. The largest commercial unit located in Potsdam accounts for 4.6% of in-place income and is leased until October 2011 to Deutsche Telekom.

GWK – LOAN 9

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€43,000,000	€43,000,000	€0
Current Balance	€43,000,000	€43,000,000	€0
Projected Balance at Maturity	€37,883,000	€37,883,000	€0

Loan Purpose:	Refinance
Funding Date:	1st December 2005
Maturity Date:	20th April 2013
Remaining Term (as at 30th January 2006):	7.2 years
Interest Type:	Fixed Rate
Loan Coupon:	4.24%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	Deutsche Grundvermögen AG
Sponsor Location:	Germany
Borrower:	GWK Braunschweig GmbH
Borrower Location:	Germany

PROPERTY/TENANCY INFORMATION	
Property Type:	Multi-family
No. of Properties:	66
Property Location:	Lower Saxony, Germany
Year Built/Renovated:	1949 – 1974
Tenure:	Freehold
Property/Asset Management:	GWK Braunschweig GmbH
Net Rentable Area: (sqm)	85,762
No. of Rooms/Lettable Units:	1,406
Occupancy	
(% of Rentable Area):	97.5%
(% of ERV):	97.4%
Number of Tenants:	1,378
Number of Leases:	1,378
Weighted Average Lease Term (as at 30th January 2006):	N/A
Anchor/ Main Tenant/s:	N/A
Rating (F / M / S):	N/A
(% of Rentable Area):	N/A
(% of Gross Rent):	N/A

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV below 85.0% DSCR above 1.10x
Cash Trap:	DSCR below 1.15x
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	N/A
MV:	€58,606,014
MV Per Sq. m / Unit:	€683
Valuer:	Dr Luebke GmbH
Date of Valuation:	September 2005
VPV:	N/A
Total Gross Rent:	€4,453,815
ERV:	€4,547,998
Net Income (U/W):	€3,060,240

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	1.68x		1.68x	
DSCR	1.20x		1.20x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	73.4%	64.6%	73.4%	64.6%
LTVPV	N/A	N/A	N/A	N/A

The Loan

The GWK Loan was originated by Deutsche Bank AG, London Branch on 1st December 2005. The GWK Loan is primarily secured by mortgages under German law over the relevant multi-family properties. The GWK Loan was granted for the primary purpose of enabling the relevant German Borrower to refinance the acquisition of the relevant German Properties.

The Borrower

The Borrower is a limited liability company incorporated under German Law. The Borrower was initially established as a social housing provider in 1938. The purpose of the Borrower is primarily to provide housing to wide classes of society in a reliable and socially responsible manner.

The Multi-family Portfolio

The portfolio consists of 85,762 sqm contained within five multi-family portfolios located in and around the city of Brunswick (Braunschweig) near Hanover, Germany. The portfolio consists of 66 properties with 1,395 residential units, 11 commercial units and 539 garages.

Property Management

The portfolio is managed by GWK Braunschweig GmbH under a management agreement.

Description of Tenants

The assets are primarily multi-family properties, with some commercial tenants. The portfolio has an in-place vacancy of 2.1% and an economic vacancy of 2.6%.

SCHMEING – LOAN 10

LOAN INFORMATION			
Balance (€)	**Whole Loan**	**Senior Loan**	**Subordinate Loan**
Original Balance	€10,738,196	€10,738,196	€0
Current Balance	€10,644,237	€10,644,237	€0
Projected Balance at Maturity	€9,422,767	€9,422,767	€0

Loan Purpose:	Acquisition
Funding Date:	26th August 2005
Maturity Date:	20th October 2012
Remaining Term (as at 30th January 2006):	6.7 years
Interest Type:	Fixed Rate
Loan Coupon:	4.35%
Primary Loan Security:	Mortgage
Governing Law:	England (Loan) / Germany (Security)
Sponsor:	3 High Net Worth Investors
Sponsor Location:	Israel
Borrower:	Lyran Holding Gmbh / R. Schmeing GmbH Projektentwicklung
Borrower Location:	Germany

PROPERTY/TENANCY INFORMATION	
Property Type:	Retail
No. of Properties:	3
Property Location:	Various within Germany
Year Built/Renovated:	1983 – 2004
Tenure:	Freehold
Property/Asset Management:	R Schmeing Bauträger GmbH
Net Rentable Area: (sqm)	8,917
No. of Rooms/Lettable Units:	16
Occupancy	
(% of Rentable Area):	100.0%
(% of ERV):	100.0%
Number of Tenants:	16
Number of Leases:	16
Weighted Average Lease Term (as at 30th January 2006):	9.6 years
Anchor/ Main Tenant/s:	Aldi, Plus
Rating (F / M / S):	N/A
(% of Rentable Area):	38.5%
(% of Gross Rent):	46.1%

ADDITIONAL LOAN FEATURES	
Reserves:	None
Covenants:	LTV below 85.0% DSCR above 1.25x
Cash Trap:	DSCR Below 1.40x
Amortisation:	Scheduled Amortisation

FINANCIAL INFORMATION	
Purchase Price:	€12,633,172
MV:	€12,615,000
MV Per Sq. m / Unit:	€1,415
Valuer:	CB Richard Ellis
Date of Valuation:	August 2005
VPV:	€10,975,000
Total Gross Rent:	€1,050,087
ERV:	€1,040,230
Net Income (U/W):	€999,674

FINANCIAL RATIOS				
	Senior Loan		**Whole Loan**	
ICR	2.16x		2.16x	
DSCR	1.54x		1.54x	
	Cut-off	**Maturity**	**Cut-off**	**Maturity**
LTV	84.4%	74.7%	84.4%	74.7%
LTVPV	97.0%	85.9%	97.0%	85.9%

The Loan

The Schmeing Loan was originated by Deutsche Bank AG, London Branch on 26th August 2005. The Schmeing Loan is primarily secured by mortgages under German law over the relevant properties. The Schmeing Loan was granted for the primary purpose of enabling the relevant German Borrowers to finance the acquisition of the relevant German Properties.

The Borrowers

The Borrowers are limited liability companies incorporated under German Law. The Borrowers were established for the purpose of acquiring the relevant properties.

The Portfolio

The portfolio consists of 8,917 sqm contained with three predominantly multi-tenanted, neighbourhood shopping centre located throughout Western Germany. The Kirschsteinbek, Hamburg Property, constructed in 2000 and extended in 2004, is the portfolios largest, accounting for 39.9% of in-place underwritten income. The Hovesat, Borken Property, constructed in 2004, is the second largest property accounting for 35.2% of in-place underwritten income. The Huberstrasse, Recklinghausen Property, constructed between 1983 and 2004 is the third largest property accounting for 24.9% of in-place underwritten income.

Property Management

The Portfolio is managed by R. Schmieng Bauträger GmbH under a management agreement.

Description of Tenants

Each of the properties is 100% occupied. The Portfolios main tenants are Aldi, accounting for 46.1% of in-place underwritten income. Plus, accounting for 11.7% of underwritten income and Takko, accounting for 9.4% of underwritten income.

THE STRUCTURE OF THE ACCOUNTS

The Relevant Accounts

Cashflows derived from the Originated Assets will be paid, in the case of the ATU Assets, through the ATU Issuer Tranching Account and the ATU Issuer Collection Accounts to the Issuer Transaction Account and, in the case of the Swiss Assets through the Swiss Issuer Transaction Account to the Issuer Transaction Account and in the case of the Dutch Loan and the German Loans (other than the ATU Loan) will be paid directly to the Issuer Transaction Account, subject, in each case, to the terms of any applicable Intercreditor Deeds and the Distribution Accounts and Swiss Distribution Accounts contemplated in them. Each of the relevant accounts is described below.

The Borrowers' Accounts

The accounts opened by each of the Borrowers in accordance with the terms of the relevant Loan Agreement are described elsewhere in this Offering Circular.

For further information about these accounts and how payments are made in respect of each of the Loans, see "The Loans and the Related Security – The Dutch Loan" at page 95, "The Loans and the Related Security – The German Loans" at page 100 and "The Loans and the Related Security – The Originated Assets – The Swiss Loan" at page 141.

The ATU Issuer Tranching Account

The ATU Issuer Operating Bank will open and maintain the ATU Issuer Tranching Account in the name of the ATU Issuer Security Trustee. All amounts payable by the ATU Borrower in respect of the ATU Loan will be paid into the ATU Issuer Tranching Account, subject to the terms of the ATU Intercreditor Deed. The ATU Issuer Servicer will make all payments required to be made on behalf of the ATU Issuer from the ATU Issuer Tranching Account.

For further information about how the ATU Issuer Servicer makes payments from the ATU Issuer Transaction Account, see "Summary – Available Funds and their Priority of Application – The ATU Note" at page 38.

The ATU Issuer Collection Accounts

The ATU Issuer Collection Bank will open and maintain the ATU Issuer Collection Accounts in the name of the ATU Issuer. All amounts payable by the ATU Issuer in respect of the ATU Notes will be paid out of the ATU Issuer Collection Accounts, subject to the terms of the ATU Intercreditor Deed and the ATU Issuer Deed of Charge and Assignment. The ATU Issuer Servicer will make all payments required to be made on behalf of the ATU Issuer from the ATU Issuer Collection Accounts.

For further information about how the ATU Issuer Servicer makes payments from the ATU Issuer Collection Accounts, see "Summary – Available Funds and their Priority of Application – The ATU Note" at page 38.

The Swiss Issuer Account

The Swiss Issuer Operating Bank will open and maintain the Swiss Issuer Transaction Account in the name of the Swiss Issuer. All amounts payable by the Swiss Borrower in respect of the Swiss Loan will be paid into the Swiss Issuer Transaction Account, subject to the terms of the Swiss Intercreditor Deed. The Swiss Issuer Servicer will make all payments required to be made on behalf of the Swiss Issuer from the Swiss Issuer Transaction Account.

For further information about how the Swiss Issuer Servicer makes payments from the Swiss Issuer Transaction Account, see "Summary – Available Funds and their Priority of Application – The Swiss Note" at page 40.

The Issuer's Accounts

Pursuant to the Cash Management Agreement, the Operating Bank will open and maintain an account in the name of the Issuer (the "**Issuer Transaction Account**") into which all amounts arising in respect of the Issuer Assets will be paid. The Cash Manager will make all payments required to be made on behalf of the Issuer from the Issuer Transaction Account and will operate the Issuer Transaction Account in accordance with the terms of the Cash Management Agreement.

Any Stand-by Drawing which the Issuer may require from the Liquidity Facility Provider will be credited to an account in the name of the Issuer (the "**Stand-by Account**") with the Operating Bank. If the Operating Bank ceases to have a "F1+" rating (or its equivalent) by Fitch, an "A-1+" rating (or its equivalent) by S&P's or a "P-1" rating (or its equivalent) by Moody's, in each case for its short-term, unguaranteed, unsecured and unsubordinated debt obligations (or such other short-term debt rating as is commensurate with the rating assigned to the Notes from time to time) (the "**Requisite Rating**"), the Stand-by Drawing shall be transferred by the Issuer, within 30 calendar days of the Operating Bank ceasing to hold the Requisite Rating, to an account with the Liquidity Facility Provider or, if the Liquidity Facility Provider does not have at that time, or thereafter ceases to have the Requisite Rating (and within 30 days thereof), any bank which has the Requisite Rating. If the bank at which the Stand-by Account is held ceases to have the Requisite Rating, the Issuer shall be required to open a new Stand-by Account within 30 days with a bank with the Requisite Rating and procure the transfer of the funds standing to the credit of the existing Stand-by Account to the new Stand-by Account.

Similarly, if the ATU Issuer Operating Bank, ATU Issuer Collection Account, Swiss Issuer Operating Bank or Operating Bank ceases to have the Requisite Rating, the ATU Issuer Transaction Account, the Swiss Issuer Transaction Account or the Issuer Transaction Account will be transferred by the ATU Issuer, the Swiss Issuer or the Issuer, as the case may be, to a bank that has the Requisite Rating.

DESCRIPTION OF NOTE TRUST DEED

The Note Trustee will be appointed pursuant to the Note Trust Deed to represent the interests of the Noteholders. The Note Trustee will agree to hold the benefit of the covenants of the Issuer contained in the Note Trust Deed on behalf of itself and on trust for the Noteholders.

Among other things, the Note Trust Deed:

(a) sets out when, and the terms upon which, the Note Trustee will be entitled or obliged, as the case may be, to take steps to enforce the Issuer's obligations under the Notes (or certain other relevant documents);

(b) contains various covenants of the Issuer relating to repayment of principal and payment of interest in respect of the Notes, to the conduct of its affairs generally and to certain ongoing obligations connected with its issuance of the Notes;

(c) provides for the remuneration of the Note Trustee, the payment of expenses incurred by it in the exercise of its powers and performance of its duties and provides for the indemnification of the Note Trustee against liabilities, losses and costs arising out of the Note Trustee's exercise of its powers and performance of its duties;

(d) sets out whose interests the Note Trustee should have regard to when there is a conflict between the interests of different classes of Noteholder;

(e) provides that the determinations of the Note Trustee shall be conclusive and binding on the Noteholders;

(f) sets out the extent of the Note Trustee's powers and discretions, including its rights to delegate the exercise of its powers or duties to agents, to seek and act upon the advice of certain experts and to rely upon certain documents without further investigation;

(g) sets out the scope of the Note Trustee's liability for any breach of duty or breach of trust, gross negligence or wilful default in connection with the exercise of its duties;

(h) sets out the terms upon which the Note Trustee may, without the consent of the Noteholders, waive or authorise any breach or proposed breach of covenant by the Issuer or determine that a Note Event of Default or an event which will become a Note Event of Default with the giving of notice or the passage of time shall not be treated as such;

(i) sets out the terms upon which the Note Trustee may, without the consent of the Noteholders, make or sanction any modification to the Conditions or to the terms of the Note Trust Deed or certain other relevant documents; and

(j) sets out the requirements for and organisation of Noteholder meetings.

The Note Trust Deed also contains provisions governing the retirement or removal of the Note Trustee and the appointment of a successor Note Trustee. The Note Trustee may at any time and for any reason resign as Note Trustee upon giving not less than three months' prior written notice to the Issuer. The holders of the Notes of each class (other than the Class X Noteholders), acting by extraordinary resolution, may together remove the Note Trustee from office. No retirement or removal of the Note Trustee (or any successor Note Trustee) will be effective until a trust corporation has been appointed to act as successor Note Trustee.

The appointment of a successor Note Trustee shall be made by the Issuer or, where the Note Trustee has given notice of its resignation and the Issuer has failed to make any such appointment by the expiry of the applicable notice period, by the Note Trustee itself.

The Note Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class X Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee as if they formed a single class (except where expressly provided otherwise).

If in the Note Trustee's opinion, there is a conflict between:

(a) the interests of the Class A1 Noteholders on the one hand and the interests of the Class A2 Noteholders, the Class X Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F

Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class A1 Notes outstanding), the interests of the Class A1 Noteholders;

(b) the interests of the Class A2 Noteholders on the one hand and the Class X Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class A2 Notes outstanding but no Class A1 Notes outstanding), the interests of the Class A2 Noteholders.

(c) the interests of the Class X Noteholders on the one hand and the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class X Notes outstanding but no Class A1 Notes or Class A2 Notes outstanding), the interests of the Class X Noteholders;

(d) the interests of the Class B Noteholders on the one hand and the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class B Notes outstanding but no Class A1 Notes, Class A2 Notes or Class X Notes outstanding), the interests of the Class B Noteholders;

(e) the interests of the Class C Noteholders on the one hand and Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class C Notes outstanding but no Class A1 Notes, Class A2 Notes, Class X Notes or Class B Notes outstanding), the interests of the Class C Noteholders;

(f) the interests of the Class D Noteholders on the one hand and the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class D Notes outstanding but no Class A1 Notes, Class A2 Notes, Class X Notes, Class B Notes, or Class C Notes outstanding), the interests of the Class D Noteholders;

(g) the interests of the Class E Noteholders on the one hand and the Class F Noteholders, the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class E Notes outstanding but no Class A1 Notes, Class A2 Notes, Class X Notes, Class B Notes, Class C Notes or Class D Notes outstanding), the interests of the Class E Noteholders;

(h) the interests of the Class F Noteholders on the one hand and the Class G Noteholders and/or the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class F Notes outstanding but no Class A1 Notes, Class A2 Notes, Class X Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes outstanding), the interests of the Class F Noteholders; and

(i) the interests of the Class G Noteholders on the one hand and the Class H Noteholders on the other, the Note Trustee will be required to have regard in any such case only to (for so long as there are any Class G Notes outstanding but no Class A1 Notes, Class A2 Notes, Class X Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes outstanding), the interests of the Class G Noteholders.

THE LIQUIDITY FACILITY AGREEMENT AND INTER-COMPANY LOAN AGREEMENTS

On or prior to the Closing Date, the Issuer will enter into the Liquidity Facility Agreement with the Liquidity Facility Provider, the Cash Manager and the Issuer Security Trustee, whereby the Liquidity Facility Provider will provide to the Issuer a 364-day committed revolving loan facility (the "**Liquidity Facility**"). The maximum aggregate principal amount available for drawdown under the Liquidity Facility will decrease as the Principal Amount Outstanding of the Notes decreases and will be calculated as follows:

(a) €109,040,873 if the aggregate Principal Amount Outstanding is between (and including) €1,557,726,754 and €1,453,878,304;

(b) €102,389,379 if the aggregate Principal Amount Outstanding is between (and including) €1,453,878,303 and €1,350,029,853;

(c) €96,223,378 if the aggregate Principal Amount Outstanding is between (and including) €1,350,029,852 and €1,246,181,403;

(d) €90,410,461 if the aggregate Principal Amount Outstanding is between (and including) €1,246,181,402 and €1,142,332,953;

(e) €84,818,222 if the aggregate Principal Amount Outstanding is between (and including) €1,142,332,952 and €1,038,484,503;

(f) €79,314,254 if the aggregate Principal Amount Outstanding is between (and including) €1,038,484,502 and €986,560,278;

(g) €77,864,270 if the aggregate Principal Amount Outstanding is between (and including) €986,560,277 and €934,636,052;

(h) €76,546,693 if the aggregate Principal Amount Outstanding is between (and including) €934,636,051 and €882,711,827;

(i) €77,171,081 if the aggregate Principal Amount Outstanding is between (and including) €882,711,826 and €830,787,602;

(j) €79,800,000 if the aggregate Principal Amount Outstanding is between (and including) €830,787,601 and €778,863,377;

(k) €78,122,669 if the aggregate Principal Amount Outstanding is between (and including) €778,863,376 and €726,939,152;

(l) €75,095,309 if the aggregate Principal Amount Outstanding is between (and including) €726,939,151 and €675,014,927;

(m) €70,732,502 if the aggregate Principal Amount Outstanding is between (and including) €675,014,926 and €623,090,702;

(n) €66,215,672 if the aggregate Principal Amount Outstanding is between (and including) €623,090,701 and €571,166,476;

(o) €61,544,821 if the aggregate Principal Amount Outstanding is between (and including) €571,166,475 and €519,242,251;

(p) €56,719,948 if the aggregate Principal Amount Outstanding is between (and including) €519,242,250 and €493,280,139;

(q) €54,615,555 if the aggregate Principal Amount Outstanding is between (and including) €493,280,138 and €467,318,026;

(r) €52,434,152 if the aggregate Principal Amount Outstanding is between (and including) €467,318,025 and €441,355,914;

(s) €50,175,737 if the aggregate Principal Amount Outstanding is between (and including) €441,355,913 and €415,393,801;

(t) €47,840,311 if the aggregate Principal Amount Outstanding is between (and including) €415,393,800 and €389,431,689;

(u) €45,427,875 if the aggregate Principal Amount Outstanding is between (and including) €389,431,688 and €363,469,576;

(v) €42,938,427 if the aggregate Principal Amount Outstanding is between (and including) €363,469,575 and €337,507,463;

(w) €40,371,968 if the aggregate Principal Amount Outstanding is between (and including) €337,507,462 and €311,545,351;

(x) €37,728,498 if the aggregate Principal Amount Outstanding is between (and including) €311,545,350 and €285,583,238;

(y) €35,008,017 if the aggregate Principal Amount Outstanding is between (and including) €285,583,237 and €259,621,126;

(z) €32,210,526 if the aggregate Principal Amount Outstanding is between (and including) €259,621,125 and €207,696,901;

(aa) €26,076,465 if the aggregate Principal Amount Outstanding is between (and including) €207,696,000 and €155,772,675;

(bb) €19,788,381 if the aggregate Principal Amount Outstanding is between (and including) €155,772,674 and €103,848,450;

(cc) €13,346,276 if the aggregate Principal Amount Outstanding is between (and including) €103,848,449 and €51,924,225; and

(dd) €6,750,149 if the aggregate Principal Amount Outstanding is €51,924,224 or lower,

(each amount, the "**Liquidity Commitment**").

The maximum aggregate principal amount available for drawdown under the Liquidity Facility may also be reduced by application of an Appraisal Reduction to the Loans. In certain other circumstances the maximum aggregate principal amount may also be reduced with the prior written consent of the Issuer and the Issuer Security Trustee; subject to the Issuer Security Trustee receiving a confirmation in writing from the Rating Agencies (such confirmation requested by the Issuer) that such reduction in the maximum aggregate principal amount of the Liquidity Facility will not result in a downgrading of any of the Notes to below their then current rating levels. Drawings in respect of the Liquidity Facility may either be made in euro or in Swiss Francs as required by the Issuer.

The Liquidity Facility may be used to remedy an Expenses Shortfall or an Interest Shortfall or a Property Protection Shortfall. An "**Expenses Shortfall**" will arise if, on any day:

(a) the Issuer is required to pay amounts due to any third party creditor including an Issuer Related Party and does not have sufficient funds to make the necessary payments;

(b) the ATU Issuer is required pay amounts due to any third party creditor including an ATU Issuer Related Party (other than the ATU Subordinated Lenders and any swap provider in respect of any related subordinated ATU Swap) and does not have sufficient funds to make the necessary payments; or

(c) the Swiss Issuer is required to pay amounts due to any third party creditor including a Swiss Issuer Related Party (other than the Swiss Subordinated Lender and any swap provider in respect of any subordinated swap) and does not have sufficient funds to make the necessary payments.

An "**Interest Shortfall**" will arise if the aggregate amount of actual interest receipts received by the Issuer from the Dutch Borrower under the Dutch Loan, the German Borrowers under the German Loans (other than the ATU Loan), the ATU Issuer under the ATU Note and the Swiss Issuer under the Swiss Note during any Interest Period is less than the Scheduled Interest Receipts that the Issuer expected to receive during such Interest Period in respect of the Dutch Loan, the relevant German Loans, the ATU Note and the Swiss Note.

For the purposes of making a calculation as to whether an Interest Shortfall has arisen or not, the "**Scheduled Interest Receipts**" shall include all ATU Borrower Interest Receipts, Dutch Borrower Interest Receipts, German Borrower Interest Receipts and Swiss Borrower Interest Receipts payable by the Borrowers during the related Interest Period under the Loans.

A "**Property Protection Shortfall**" will arise if, on any day, a Borrower fails to pay certain amounts to third parties, such as insurers, and persons providing services in connection with the operation of the Property and there are insufficient funds available in the relevant Borrower Account to pay such amounts. The Issuer Servicer, the ATU Issuer Servicer or the Swiss Issuer Servicer, as the case may be, may make on behalf of the Issuer, the ATU Issuer or the Swiss

Issuer, as the case may be, the relevant payment (such payment being a "**Property Protection Advance**").

On the occurrence of an Expenses Shortfall, an Interest Shortfall or a Property Protection Shortfall (each a "**Shortfall**"), the Issuer Servicer shall notify the Cash Manager of the existence of such Shortfall and the Cash Manager may, on behalf of the Issuer, make a drawing pursuant to the Liquidity Facility Agreement in an amount equal to the relevant Expenses Shortfall (an "**Expense Drawing**"), and/or Interest Shortfall (an "**Interest Drawing**") and/or Property Protection Shortfall (a "**Property Protection Drawing**"). An Expense Drawing, an Interest Drawing and a Property Protection Drawing are each referred to as a "**Liquidity Drawing**".

The Issuer shall use the proceeds of any Interest Drawing in making payments to, among others, the Noteholders, in accordance with the Pre-Enforcement Priority of Payments. To the extent that the relevant Expenses Shortfall and/or Property Protection Shortfall has arisen in respect of the ATU Issuer, the Issuer will lend the proceeds of the Expense Drawing and/or Property Protection Drawing to the ATU Issuer to enable it to meet the relevant Expenses Shortfall and/or Property Protection Shortfall. Such loans, if required, will be made pursuant to the ATU Inter-company Loan Agreement. To the extent that the relevant Expenses Shortfall and/or Property Protection Shortfall has arisen in respect of the Swiss Issuer, the Issuer will lend the proceeds of the Expense Drawing and/or Property Protection Drawing to the Swiss Issuer to enable it to meet the relevant Expenses Shortfall and/or Property Protection Shortfall. Such loans, if required, will be made pursuant to the Swiss Inter-company Loan Agreement.

In certain circumstances, if amounts due from the ATU Issuer to the ATU Issuer Servicer and/or the ATU Issuer Special Servicer are greater than the funds available to the ATU Issuer, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the ATU Inter-company Loan Agreement. For further information, see "Servicing and Intercreditor Arrangements for the ATU Assets" at page 221. In certain circumstances, if amounts due from the Swiss Issuer to the Swiss Issuer Servicer and/or the Swiss Issuer Special Servicer are greater than the funds available to the Swiss Issuer, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the Swiss Inter-company Loan Agreement. For further information, see "Servicing and Intercreditor Arrangements for the Swiss Assets" at page 190.

All payments due to the Liquidity Facility Provider under the Liquidity Facility Agreement (other than in respect of any Liquidity Subordinated Amounts) will rank ahead of payments of interest and repayments of principal on the Notes. "**Liquidity Subordinated Amounts**" are any amounts in respect of (a) increased costs, mandatory costs and tax gross up amounts payable to the Liquidity Facility Provider to the extent that such amounts exceed 0.125 per cent. per annum of the commitment provided under the Liquidity Facility Agreement and (b) if there is any Stand-by Drawing then outstanding, the excess of the interest then payable in respect thereof over the aggregate of (i) an amount equal to the commitment fee which would otherwise then be payable (but for the Stand-by Drawing) under the Liquidity Facility and (ii) an amount equal to the amount of interest earned in the relevant period in respect of the Stand-by Account and the interest element of any proceeds of any Eligible Investments made out of amounts standing to the credit of the Stand-by Account.

For further information about the ranking of such payments, see "Available Funds and their Priority of Application: The Notes" at page 50.

The Liquidity Facility Agreement will provide that if at any time any of the ratings of the short-term, unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider fall below the Requisite Rating, or the Liquidity Facility Provider fails to renew the Liquidity Facility Agreement, then the Issuer (or the Cash Manager on its behalf) will require the Liquidity Facility Provider to pay into a Stand-by Account which is maintained with an appropriately rated bank, an amount (a "**Stand-by Drawing**") equal to its undrawn Liquidity Commitment under the Liquidity Facility Agreement. If the Issuer (or the Cash Manager on its behalf) makes a Stand-by Drawing, the Cash Manager (on behalf of the Issuer) will, prior to the expenditure of the proceeds of such drawing as described above, invest such funds in Eligible Investments. Amounts standing to the credit of the Stand-by Account will be available to the Issuer to be drawn in the same circumstances as the Liquidity Drawings, as described above, and otherwise in the circumstances provided in the Liquidity Facility Agreement and, all repayments of Liquidity Drawings will, after a Stand-by Drawing has been made, be paid into the Stand-by Account. Following the service of a

Note Acceleration Notice or the Notes otherwise becoming due and repayable in full and following certain events of default under the Liquidity Facility Agreement, principal amounts standing to the credit of the Stand-by Account in respect of a Stand-by Drawing will be returned to the Liquidity Facility Provider and will not be applied in accordance with either the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments.

Liquidity Drawings and Stand-by Drawings will bear interest. The rate of interest payable to the Liquidity Facility Provider in relation to Liquidity Drawings will be a per annum rate equal to the sum of EURIBOR (or Swiss Francs LIBOR, depending on the currency of the drawing) plus 0.3 per cent. per annum (the "**Liquidity Margin**") plus any applicable mandatory and increased costs (as defined in the Liquidity Facility Agreement). The rate of interest payable to the Liquidity Facility Provider in relation to Standby Drawings will be the aggregate of the rate of the commitment fee payable to the Liquidity Facility Provider and the rate of interest payable in respect of the Standby Account. If a Liquidity Drawing is not repaid on the relevant Distribution Date as described above, the amount outstanding under the Liquidity Facility will be deemed to be repaid (but only for the purposes of the Liquidity Facility) and redrawn on such Distribution Date in an amount equal to all amounts outstanding. This procedure will be repeated on each subsequent Distribution Date, up to the amount of the Liquidity Commitment, until all amounts outstanding are paid and/or repaid, as the case may be. Drawings in respect of the Liquidity Facility including without limitation any Standby Drawing may either be made in euro or in Swiss Francs. In respect of any Stand-by Drawing, the Issuer may enter into such further hedging arrangements as the Issuer may deem necessary, subject to Rating Agency Confirmations from at least two of the Rating Agencies.

In relation to a Stand-by Drawing, "**Eligible Investment**" means:

(a) any senior, unsubordinated debt security, investment, commercial paper, deposit (including, for the avoidance of doubt, any monies on deposit in any of the Issuer Accounts) or other debt instrument (including, for the avoidance of doubt, a money market fund) issued by, or fully and unconditionally guaranteed by, an Eligible Institution, which:

  (i) shall be denominated in euro;

  (ii) (except in the case of a deposit) is primarily settled through Euroclear or Clearstream, Luxembourg;

  (iii) will have a maturity date falling, or which are redeemable at par together with accrued unpaid interest, not later than one Business Day prior to the next following Distribution Date (the "**Liquidation Date**");

  (iv) will be in the form of notes or financial instruments having a rating from Moody's of "P1", from Fitch of "F1+", if the maturity date is between 1 and 12 months, and "F1" if the maturity date is less than 1 month, and "A-1+" from S&P, such notes or financial instruments having a maturity not exceeding the earlier of the date falling 30 days after such Liquidation Date and the next following Liquidation Date;

  (v) provides for principal to be repaid in respect of such investment which is at least equal to the price paid to purchase such investment and does not fall to be determined by reference to any formula or index and is not subject to any contingency; and

  (vi) qualifies as a Portfolio Interest Obligation or for some other exemption from United States withholding tax if such Eligible Investment is issued by a United States Eligible Institution; or

(b) repurchase transactions between the Issuer and Eligible Institution in respect of which the obligations of the Eligible Institution to repurchase from the Issuer the underlying debt securities are senior and unsubordinated and rank *pari passu* with other senior and unsubordinated debt obligations of the Eligible Institution and qualifies for an exemption from United States withholding tax if the repurchase transaction is with a United States Eligible Institution.

"**Foreign Targeted**" means a debt obligation that is described in Section 881(c) (2)(a) and Section 871(h)(2)(A) of the United States Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder.

"**Liquidity Facility Term Date**" means, subject to any extension made under the Liquidity Facility Agreement, the date falling 364 days after the date of the Liquidity Facility Agreement and thereafter, the date falling 364 days after the date of any such renewal or, if such date is not a Business Day, the preceding Business Day.

"**Portfolio Interest Obligation**" means any obligation that is treated as debt for U.S. federal income tax purposes, and either (a)(i) is either Registered or Foreign Targeted, (ii) does not provide for payment of "contingent interest" within the meaning of Section 871(h)(4) of the Internal Revenue Code and the Treasury regulations promulgated thereunder, (iii) if the Issuer is a "controlled foreign corporation" within the meaning of Section 957(a) of the Internal Revenue Code and the Treasury regulations promulgated thereunder, does not have an obligor which is a "related person", within the meaning of Section 864(d)(4) of the Internal Revenue Code and the Treasury regulations promulgated thereunder, with respect to the Issuer, and (iv) does not have an obligor of which the Issuer is a "10 per cent. shareholder", within the meaning of Section 871(h)(3) of the Internal Revenue Code and the Treasury regulations promulgated thereunder or (b) the interest on which is described in Section 871(i)(2) of the Internal Revenue Code and the Treasury regulations promulgated thereunder.

"**Registered**" means a debt obligation that is described in Section 881(c)(2)(b) and Section 871(h)(2)(B) of the United States Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder.

"**Eligible Institution**" means any depository institution, organised under the laws of any state which is a member of the European Union or of the United States, the short-term unsecured, unsubordinated and unguaranteed debt obligations of which are rated, at least "P-1" by Moody's, "F1+" by Fitch and "A-1+" by S&P.

Appraisal Reduction

Subject to the provisions described in the following paragraph, the Issuer Special Servicer, the ATU Issuer Special Servicer or the Swiss Issuer Special Servicer, as the case may be, (the "**Relevant Special Servicer**") must, not later than 30 days after the occurrence of a Special Servicer Transfer Event affecting any of the Swiss Loan, the Dutch Loan or the German Loans, obtain a valuation in respect of the relevant Property. The costs of obtaining such valuation will be paid by the Relevant Special Servicer, subject to being reimbursed by the relevant Senior Lender or the Subordinated Lender, as appropriate, in accordance with the terms of the applicable Servicing Agreement and subject to the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the case may be. The Relevant Special Servicer will not be obliged to obtain such a valuation if a valuation has been obtained during the immediately preceding 12 months and the Relevant Special Servicer is of the opinion (without any liability on its part) that neither the relevant Properties nor the relevant property markets have experienced any material change since the date of such previous valuation.

If the principal amount of the relevant Loan then outstanding (together with any unpaid interest, all currently due and unpaid taxes and assessments) (net of any amount placed into an escrow account in respect of such items), insurance premiums and if applicable, ground rents in respect of the relevant Properties exceeds 90 per cent. of the appraised value of the relevant Properties as determined by the relevant valuation, an appraisal reduction will be deemed to have occurred (an "**Appraisal Reduction**"), the amount available to be drawn under the Liquidity Facility in relation to the relevant Loan will be reduced in proportion to the amount of the Appraisal Reduction.

The Liquidity Provider

Calyon (London Branch), a French société anonyme, acting through its office at Broadwalk House, 5 Appold Street, London EC2A 2DA will be appointed to act as Liquidity Facility Provider pursuant to the terms of the Liquidity Facility Agreement.

The Liquidity Facility Provider is engaged in the business of providing commercial banking services, including providing credit facilities similar to the facilities provided by it pursuant to the Liquidity Facility Agreement.

As at the date of this Prospectus, the long-term, unsecured unsubordinated debt obligations of the Liquidity Facility Provider are rated "AA" by Fitch, "Aa2" by Moody's and "AA-" by S&P,

and the short-term, unsecured, unsubordinated debt obligations of the Liquidity Facility Provider are rated "F1+" by Fitch, "P-1" by Moody's and "A-1+" by S&P.

The information contained herein with respect to Calyon (London Branch) has been obtained from it. Delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Calyon (London Branch) since the date hereof or that the information contained or referred to herein is correct as of any time subsequent to this date.

DESCRIPTION OF THE SWAP AGREEMENTS

On the Closing Date, the Issuer will enter into one or more swap transactions with the Swap Provider documented under two separate 1992 ISDA Master Agreements (Multicurrency – Cross Border) (each an "**ISDA Master Agreement**", as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**")) by means of one or more swap confirmations, each of which will supplement, amend, form part of and be subject to the relevant ISDA Master Agreement (together, the "**Swap Agreements**"). The Swap Agreements will be entered into in order to hedge certain mismatches between the assets and the liabilities of the Issuer.

The mismatches between the assets and liabilities of the Issuer fall into the following categories:

(a) certain of the Issuer Assets bear interest at a fixed rate. The Issuer's liabilities in respect of the Notes are based on a floating rate of interest ("**Interest Rate Mismatch**"). In order to mitigate the Interest Rate Mismatch, the Issuer will enter into a series of fixed/floating interest rate swap transactions (each a "**Rate Swap Transaction**" and together, the "**Rate Swap Transactions**");

(b) certain of the Issuer Assets are denominated in Swiss Francs. The Issuer's liabilities in respect of the Notes are denominated in euro (the "**Currency Mismatch**"). In order to mitigate the Currency Mismatch, the Issuer will enter into one or more currency swap transactions (the "**Currency Swap Transactions**"); and

(c) the interest rate basis in respect of the Issuer Assets differs from the interest basis in respect of the Notes (the "**Basis Mismatch**"). In order to mitigate the Basis Mismatch, the Issuer will enter into a basis swap transaction (the "**Basis Swap Transaction**") in relation to certain Loans.

The Rate Swap Transactions and the Basis Swap Transaction will be both documented under the same Swap Agreement, and the Currency Swap Transactions will be documented under a separate Swap Agreement.

The Rate Swap Transactions, the Currency Swap Transactions and the Basis Swap Transactions (together, the "**Swap Transactions**") may be terminated by the Swap Provider in accordance with certain Events of Default and Termination Events (each as defined in the Swap Agreement) including if a Note Acceleration Notice is given to the Issuer and the Issuer Security Trustee in accordance with Condition 10(a) at page 278; or (b) an Additional Termination Event (as defined in the Swap Agreements), if the Notes are redeemed in full pursuant to Condition 6(b) at 274, Condition 6(c) at page 274 or Condition 6(d) at page 275 or otherwise.

In the event that the Issuer is required to withhold or deduct an amount in respect of tax from payments due from it to the Swap Provider, the Issuer will not be required pursuant to the terms of the relevant Swap Agreement to pay the Swap Provider such amounts as would have been required to ensure that the Swap Provider received the same amounts that it would have received had such withholding or deduction not been made.

In the event that the Swap Provider is required to withhold or deduct an amount in respect of tax from payments due from it to the Issuer, the Swap Provider will be required pursuant to the terms of the relevant Swap Agreement to pay to the Issuer such additional amounts as are required to ensure that the Issuer receives the same amounts that it would have received had such withholding or deduction not been made.

If the short-term, unsecured and unsubordinated debt obligations of the Swap Provider cease to be rated as high as "F1" by Fitch or "A-1" by S&P (or, in the case of Currency Swap Transactions, "A-1+") or "P1" by Moody's or the long-term, unsecured, unsubordinated debt obligations of the Swap Provider cease to be rated as high as "A1" by Moody's or "A+" by Fitch (the "**Minimum Swap Provider Ratings**") or any such rating is withdrawn by Fitch or S&P or Moody's, the Swap Agreement will require the Swap Provider, within 30 days of the occurrence of such downgrade at the cost of the Swap Provider, to:

(a) procure a replacement swap provider with the applicable Minimum Swap Provider Ratings or, in certain circumstances, such other rating as is commensurate with the ratings assigned to the Notes by the Rating Agencies from time to time; or

(b) procure another person with the applicable Minimum Swap Provider Ratings to become co-obligor or guarantor in respect of its obligations under the Swap Agreement; or

(c) take such other action as the Swap Provider may agree with the Rating Agencies; or

(d) execute a Swap Credit Support Document and deliver to the Issuer Security Trustee collateral in respect of its obligations under the Swap Agreements in an amount or value determined in accordance with the swap collateral requirements of the Rating Agencies.

If a Rate Swap Transaction is terminated in whole or in part prior to its scheduled termination date, either the Swap Provider or the Issuer, as the case may be may, (depending on EURIBOR at the relevant time) be required to pay an amount to the other party as a result of such termination. Any such payment by the Issuer shall be made in accordance with the applicable priority of payments. If a Rate Swap Transaction is terminated due to: (a) the occurrence of an Event of Default (as defined in the relevant Swap Agreement) in respect of the Swap Provider; or (b) the failure by the Swap Provider to comply with the requirements under the relevant Swap Agreement following a ratings downgrade (as more particularly set out in the Swap Agreement) (any such event, a "**Swap Trigger**") any payment due from the Issuer will constitute a Swap Subordinated Amount and will be paid, on a subordinated basis, in accordance with the applicable priority of payments.

If at any time the Swap Provider is required to provide collateral in respect of any of its obligations under the Swap Agreements, the Issuer and the Swap Provider will enter into a collateral agreement in the form of a 1995 ISDA Credit Support Annex (Bilateral Form – Transfer) or in such other form acceptable as may be agreed (the "**Swap Credit Support Document**"). The Swap Credit Support Document will provide that, from time to time, subject to the conditions specified in the Swap Credit Support Document, the Swap Provider will make transfers of collateral to the Issuer in support of its obligations under the Swap Agreement and the Issuer will be obliged to return such collateral in accordance with the terms of the Swap Credit Support Document. References in this Offering Circular to the Swap Credit Support Document are references to such agreement as and when entered into between the Issuer and the Swap Provider.

Collateral amounts that may be required to be posted by the Swap Provider pursuant to a Swap Credit Support Document may be delivered in the form of cash or securities. Cash amounts will be paid into an account designated a "**Swap Collateral Cash Account**" and securities will be transferred to an account designated a "**Swap Collateral Custody Account**". References in this Offering Circular to the Swap Collateral Cash Account and to the Swap Collateral Custody Account and to payments from such accounts are deemed to be a reference to and to payments from such accounts as and when opened by the Issuer in relation to the Swap Agreement, as applicable.

If the Swap Collateral Cash Account and the Swap Collateral Custody Account are opened, amounts equal to any amounts of interest on the credit balance of the Swap Collateral Cash Account, or equivalent to distributions received on securities held in the Swap Collateral Custody Account, and any equivalent securities due to be returned to the Swap Provider pursuant to the Swap Credit Support Document (in the event that the Swap Provider has posted excess collateral thereunder) are required to be paid to the Swap Provider in accordance with the terms of the Swap Credit Support Document and the Deed of Charge and Assignment in priority to any other payment obligations of the Issuer. The obligation of the Issuer in respect of any return of securities posted as collateral pursuant to the Swap Credit Support Document in the form of a 1995 ISDA Credit Support Annex (Bilateral Form – Transfer) is to return "equivalent securities".

Pursuant to the terms of the Basis Swap Transaction, no payments will be due in respect of the Issuer or the Swap Provider in relation to the termination, in part or in whole, of the Basis Swap Transaction (other than with respect to amounts which fall due but were unpaid prior to termination). In relation to the Currency Swap Transaction no termination amounts will be payable in respect of a reduction in whole or in part of the notional amount resulting from the repayment or prepayment of any of the Notes (other than with respect to amounts which fall due but were unpaid prior to termination). Instead, the Swiss Francs and euro equivalents of such repaid or prepaid amounts will be exchanged by the parties pursuant to the Currency Swap Transaction.

The Swap Provider may, at its own discretion and its own expense, novate its rights and obligations under the Swap Agreement on the terms set out in the Swap Agreement.

The Issuer may apply swap termination payments, received, if any, from the Swap Provider towards consideration for a suitably rated replacement swap provider entering into a suitable replacement swap agreement, where applicable or unless it is required to do otherwise.

The Swap Agreements will be governed by English Law.

SERVICING AND INTERCREDITOR ARRANGEMENTS FOR THE SWISS ASSETS

Introduction

Pursuant to the Swiss Issuer Servicing Agreement, the Swiss Issuer in relation to the Swiss Loan will appoint Deutsche Bank AG, London Branch as the Swiss Issuer Servicer and Hatfield Phillips International Limited as the Swiss Issuer Special Servicer to act as its agents and provide certain services in relation to the Swiss Loan and the Swiss Related Security. The term "**Swiss Loan**" in this context will be construed as a reference to the whole loan, given that this is owned by the Swiss Issuer. The Swiss Loan, in this sense, is comprised of a Swiss Senior Loan and a Swiss Subordinated Loan, each of which constitute the economic interests in the Swiss Loan represented by the related Swiss Note and the related Swiss Subordinated Note respectively. The Swiss Security Agent will delegate to the Swiss Issuer Servicer, and in certain circumstances, the Swiss Issuer Special Servicer, the exercise of all its rights, powers and discretions in relation to the Swiss Loan and the Swiss Related Security, other than those which may only be exercised by the legal owner of the Swiss Related Security (which the Swiss Security Agent will agree only to exercise in accordance with the instructions of the Swiss Issuer Servicer or, in certain circumstances, the Swiss Issuer Special Servicer). When exercising the rights, powers and discretions of the Swiss Issuer and of the Swiss Security Agent, the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer, must act in accordance with, among other things, the terms of the Servicing Standard, Duty of Care and the Swiss Intercreditor Deed.

Servicing Standard and Duty of Care

Each of the Swiss Issuer Servicer and the Swiss Issuer Special Servicer are required to perform its duties on behalf of and for benefit of the Swiss Issuer and the Swiss Noteholders in accordance with and subject to the Duty of Care and to the "**Servicing Standard**" which, in respect of the Swiss Loan, comprises the following requirements: (a) all applicable law and regulations, (b) the Swiss Loan Agreement and documents entered into in connection therewith, (c) the Swiss Intercreditor Deed, (d) the Swiss Issuer Servicing Agreement, and (e) the higher of:

(i) in the same manner and with the same skill, care and diligence it applies in servicing similar loans for other third parties; and

(ii) the standard of care, skill and diligence which it applies in servicing commercial mortgage loans in its own portfolio,

in each case giving due consideration to customary and usual standards of practice of reasonably prudent commercial mortgage servicers servicing commercial mortgage loans which are similar to the Swiss Loan with a view to the timely collection of all scheduled payments of principal, interest and other amounts due in respect of the Swiss Loan and Swiss Related Security and, if the Swiss Loan comes into and continues in default, the maximisation of the recoveries on the Swiss Loan for the Swiss Senior Lender and the Swiss Subordinated Lender as a collective whole. If there is a conflict between the requirements which together comprise the Servicing Standard, they will be applied in the order in which they appear above.

"**Duty of Care**" means the following undertakings made by each of the Swiss Issuer Servicer and the Swiss Issuer Special Servicer, in each case (without prejudice and subject to the Servicing Standard) to the Issuer and the Issuer Security Trustee, in consideration of the Issuer providing financial facilities to the Swiss Issuer in accordance with and subject to the terms of the Swiss Note:

(a) to perform all of its duties and obligations, undertake its functions and exercise its rights and discretions in, to and under the Swiss Issuer Servicing Agreement in a manner which is consistent with protecting and safeguarding the rights and interests of the Swiss Senior Lender and Swiss Subordinated Lender in respect of or in relation to the Swiss Note, the Swiss Subordinated Note and the Swiss Assets and any agreement, document, deed, interest, right, benefit or other entitlement ancillary or related thereto (together, the "**Issuer's Swiss Interests**");

(b) not to take or omit to take any action or do or omit to do any thing which would detract from, undermine, devalue, depreciate or otherwise adversely affect the Issuer's Swiss Interests; and

(c) not to take or omit to take any action or do or omit to do any thing which would inhibit, prevent or otherwise adversely affect the ability of the Swiss Senior lender or the Swiss Subordinated Lender to exercise or enforce any right, remedy or discretion in relation to or in connection with the Issuer's Swiss Interests.

The Swiss Issuer Servicer and the Swiss Issuer Special Servicer will, under the terms of the Swiss Servicing Agreement, owe the same duty of care to the holders of the Swiss Subordinated Note.

The Swiss Issuer Servicer and the Swiss Issuer Special Servicer are required to adhere to the Servicing Standard and the Duty of Care without regard to any fees or other compensation to which they are entitled, any relationship they or any of their affiliates may have with any party to the transactions entered into in connection with the issue of the Notes or with the Swiss Borrower or any affiliate of the Swiss Borrower or the ownership of any Note, any Swiss Note, any Swiss Subordinated Note or any interest in the Swiss Loan by the Swiss Issuer Servicer or Swiss Issuer Special Servicer or any affiliate thereof. However, the Swiss Subordinated Lender acknowledges in the Swiss Issuer Servicing Agreement and the Swiss Intercreditor Deed that, due to the subordinated nature of such Subordinated Lender's interest notwithstanding compliance by the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer with the Servicing Standard and the Duty of Care, the Swiss Subordinated Lender may suffer a loss or be otherwise adversely affected in circumstances where no such adverse effect, loss, or a smaller loss, is suffered by the Swiss Senior Lender. In the event of conflict between the Servicing Standard and Duty of Care, the Servicing Standard shall prevail.

The Swiss Issuer Servicer and the Swiss Issuer Special Servicer may, in certain circumstances, without the consent of any other person (including without limitation the Swiss Issuer), sub-contract or delegate their respective obligations under the Swiss Issuer Servicing Agreement. Notwithstanding any sub-contracting or delegation of the performance of any of its obligations under the Swiss Issuer Servicing Agreement, the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as the case may be, shall not be released or discharged from any liability thereunder and shall remain responsible for the performance of its obligations under the Swiss Issuer Servicing Agreement by any sub-contractor or delegate.

The Swiss Loan will be serviced subject to and in accordance with, among other things, the terms of the Servicing Standard and the Swiss Intercreditor Deed. The Swiss Subordinated Lender, or the Operating Adviser acting on its behalf, has certain rights in relation to the making of such decisions and the exercise of such discretions and the Swiss Issuer Servicer and Swiss Issuer Special Servicer will, subject to the terms of the Swiss Intercreditor Deed and as required by the Servicing Standard, be required to take the interests of the Swiss Subordinated Lender into account when exercising their powers and performing their duties in relation to the Swiss Loan. However, no rights of the Operating Adviser or the Swiss Subordinated Lender may cause the Swiss Issuer Servicer or the Swiss Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard and none of the aforementioned rights will prevent the Swiss Issuer Special Servicer from completing any enforcement action, realising upon the security for the Swiss Loan.

Roles of the Swiss Issuer Servicer and Swiss Issuer Special Servicer

The Swiss Issuer Servicer will service and administer the Swiss Loan until the occurrence of a Special Servicer Transfer Event in relation to the Swiss Loan:

The Swiss Loan will become subject to a "**Special Servicer Transfer Event**" in the event, among other things, any of the following occurs:

(a) a payment default on the Swiss Loan on its final maturity date if not extended;

(b) any payment by the Swiss Borrower under the Swiss Loan Agreement being more than 45 days overdue;

(c) the Swiss Borrower becoming the subject of insolvency proceedings or certain other insolvency related events;

(d) the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as the case may be, receiving a notice of the enforcement of any other security on the related Property; and

(e) any other default occurs and is not cured within the applicable cure period, or, in the opinion of the Swiss Issuer Servicer, is imminent and not likely to be cured within 30 days, that would be likely to have a material adverse effect upon the Swiss Issuer or the Swiss Subordinated Lender.

The Swiss Issuer Special Servicer will formally assume special servicing duties in respect of the Swiss Loan and the Swiss Loan will become a "**Specially Serviced Loan**" on the occurrence of the Special Servicer Transfer Event. Servicing of a Swiss Loan which has become a Specially Serviced Loan will be retransferred to the Swiss Issuer Servicer and it will become a "**Corrected Loan**" when no monetary Special Servicer Transfer Event has occurred for two interest periods and the facts giving rise to any other Special Servicer Transfer Event have ceased to exist and no other matter exists which would give rise to the Swiss Loan becoming a Specially Serviced Loan. Similarly, if a holder of a Swiss Subordinated Note makes a Swiss Cure Payment or Swiss Cure Deposit or exercises any other cure right in respect of the Swiss Loan, the making of such payment or deposit or exercise of such cure right will prevent the occurrence of a Special Servicer Transfer Event or will lead to the re-transfer of servicing responsibility in respect of the Swiss Loan to the Swiss Issuer Servicer.

Notwithstanding the appointment of the Swiss Issuer Special Servicer, the Swiss Issuer Servicer will be required to continue to collect information and provide to the Issuer Servicer or the Issuer Special Servicer, as the case may be, such information as may be requested or required by the Issuer Servicer or the Issuer Special Servicer, as the case may be, pursuant to the performance of its duties under the Issuer Servicing Agreement and to perform certain other day-to-day administrative functions. Neither the Swiss Issuer Servicer nor the Swiss Issuer Special Servicer will have responsibility for the performance by the other of its obligations and duties under the Swiss Issuer Servicing Agreement.

Operating Adviser

The Controlling Party in relation to the Swiss Loan may appoint a representative (an "**Operating Adviser**") to represent its interests when the Swiss Issuer Servicer or the Swiss Issuer Special Servicer are making decisions regarding the Swiss Loan. Provided a Control Valuation Event has not occurred, the relevant Swiss Subordinated Lender will be the Controlling Party in relation to the Swiss Loan, including the Swiss Senior Loan and its related Swiss Subordinated Loan. If at the relevant time the Swiss Loan is not comprised of a Swiss Senior Loan and a Swiss Subordinated Loan, or if it is, a Control Valuation Event in relation to the Swiss Subordinated Loan has occurred, the Controlling Party will be the Issuer, as the holder of the Swiss Note. However, any rights of the Issuer in this regard will be exercisable at the direction of the Controlling Class. Any Operating Adviser prior to a Control Valuation Event appointed by the Controlling Party in relation to the Swiss Loan will be entitled to require the Swiss Issuer to replace the person then acting as the Swiss Issuer Special Servicer in relation to the Swiss Loan and its related Swiss Subordinated Loan with a person nominated by the Operating Adviser (subject to, among other things, the Rating Agencies confirming that the appointment of the nominee will not result in the then current rating assigned to any class or classes of Notes being downgraded, withdrawn or qualified).

The Swiss Issuer Servicer or, if the Swiss Loan is a Specially Serviced Loan, the Swiss Issuer Special Servicer may agree to any request by the relevant Borrower or any other relevant obligor to provide a consent if the provisions of the relevant Loan Agreement require such consent to be granted, subject to certain conditions being satisfied, provided that the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as applicable, is acting in accordance with the Servicing Standard and the Duty of Care and the Operating Advisor is satisfied that the relevant conditions have been met and provided further that, if the Operating Advisor and the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer do not agree that the relevant conditions have been met, the views of the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer shall prevail over those of the Operating Advisor.

The Swiss Issuer Servicer or, if at the relevant time the Swiss Loan is a Specially Serviced Loan, the Swiss Issuer Special Servicer must also give prior notice to the Operating Adviser of its intention to take certain decisions in relation to the Swiss Loan, including to:

(a) make an amendment to the Swiss Loan Agreement which would result in the extension or shortening of the final maturity date;

(b) modify the interest rate on all or any part thereof;

(c) modify the amount or timing of any payment of interest or principal;

(d) forgive any interest or principal;

(e) make any further advance;

(f) agree to the release of any Property from the security created by the relevant Swiss Related Security and/or to the substitution of any Property that secures the Swiss Loan with any other Property (other than in circumstances which are contemplated by the Swiss Loan Agreement);

(g) release the Swiss Borrower (or any other person (each a "**Swiss Obligor**") obligated to provide security or make payment under the Swiss Loan Agreement) from its obligations;

(h) agree to the further encumbrance of any assets which secure the Swiss Loan;

(i) waive or reduce any prepayment fee, late payment charge or default interest;

(j) confirm to the Swiss Borrower the amount of breakage costs or prepayment fees payable on a redemption (in whole or in part);

(k) cross-default the Swiss Loan to any other indebtedness of the Swiss Borrower;

(l) approve any material capital expenditure;

(m) agree to the modification in any material respect of any headlease by which any Swiss Obligor holds an interest in a Property;

(n) agree to change any reporting requirements under the Swiss Loan Agreement;

(o) consent to the creation of any mezzanine debt of any direct or indirect owner of the Swiss Borrower that would be paid from distributions of net cash flows from any Property;

(p) accept any insurance company or underwriter pursuant to the Swiss Loan Agreement;

(q) consent to the grant of any new occupational lease or the modification or termination of any existing occupational lease unless in accordance with the relevant Swiss Loan Documents or, as the circumstances require, as determined by the Swiss Issuer Servicer or the Swiss Issuer Special Servicer acting in accordance with the Servicing Standard, consent cannot be unreasonably withheld or delayed;

(r) commence formal enforcement proceedings in respect of any Swiss Related Security for the repayment of the Swiss Loan, including the appointment of a receiver or administrator or similar or analogous proceedings;

(s) take any action to remedy an environmental problem at any relevant Property;

(t) waive any Swiss Loan event of default;

(u) approve a restructuring plan in insolvency of the Swiss Borrower;

(v) defer interest on all or any part of the Swiss Loan for more than 10 Business Days;

(w) modify any provision of the Swiss Loan Agreement relating to the rights of the Lender to assign its interest therein; or

(x) modify any provision of the relevant Loan Documents relating to any of the following:

  (i) reserve requirements;

  (ii) rent collection;

  (iii) cash management;

  (iv) financial covenants;

  (v) hedging requirements;

  (vi) insurance requirements;

  (vii) the basis on which all or any part of the security for the Swiss Loan may be released or substituted;

  (viii) the basis on which all or any of the Swiss Obligors may be released from their obligations under the relevant Loan Documents; and

  (ix) the basis on which further encumbrances of any relevant Property may be created.

Following such notification, the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer will not take the relevant action until the earliest of (a) in the case of items (a) to (e) (inclusive) above, five Business Days and, in the case of items (f) to (x) (inclusive) above, ten Business Days, after the Operating Adviser has been notified of the relevant matter and of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer's proposals in relation thereto; and (b) the date on which the Operating Adviser confirms that the Swiss Issuer Servicer or Swiss Issuer Special Servicer may proceed in accordance with those proposals. If, prior to the day falling five (or, as the case may be, ten) Business Days after the notification referred to above, the Operating Adviser notifies the Swiss Issuer Servicer or Swiss Issuer Special Servicer that it disagrees with the proposed course of action it shall also suggest to the Swiss Issuer Servicer or Swiss Issuer Special Servicer alternative courses of action. Within five (or, as the case may be, ten) Business Days thereafter, the Swiss Issuer Servicer or Swiss Issuer Special Servicer shall submit to the Operating Adviser a revised proposal which shall, to the extent that the same are not inconsistent with the Servicing Standard, incorporate the alternatives suggested by the Operating Adviser.

The Swiss Issuer Servicer and the Swiss Issuer Special Servicer shall continue to revise their proposals in the manner described in the preceding paragraph until the earliest of:

(a) the delivery by the Operating Adviser of an approval in writing of such revised proposal;

(b) failure of the Operating Adviser to disapprove of such revised proposal in writing by the fifth (or, as the case may be, tenth) Business Day after its delivery to the Operating Adviser; and

(c) the passage of 45 days from the date of preparation of the first version of the proposal submitted by the Swiss Issuer Servicer or the Swiss Issuer Special Servicer.

Notwithstanding any of the foregoing requirements, no right of an Operating Adviser to be consulted in connection with the Swiss Loan shall permit the Swiss Issuer Servicer or the Swiss Issuer Special Servicer to take any action or to refrain from taking any action which, in the good faith and reasonable judgement of the Swiss Issuer Special Servicer, would cause the Swiss Issuer Servicer or Swiss Issuer Special Servicer to violate the Servicing Standard or the Duty of Care. Nor will the Swiss Issuer Servicer or the Swiss Issuer Special Servicer refrain from taking any action pending receipt of any proposals of the Operating Adviser, following consultation, if the Swiss Issuer Servicer or Swiss Issuer Special Servicer, in its good faith and reasonable judgement, determines that immediate action is necessary to comply with the Servicing Standard or the Duty of Care. The taking of any action prior to the receipt of the Operating Adviser's approval thereof or in a manner which is contrary to the directions of, or disapproved by, the Operating Adviser shall not constitute a breach by the Swiss Issuer Servicer or the Swiss Issuer Special Servicer of the Swiss Issuer Servicing Agreement so long as, in the Swiss Issuer Servicer's or the Swiss Issuer Special Servicer's good faith and reasonable judgement, such action was required by the Servicing Standard or the Duty of Care. If, in order to comply with the requirements described in this paragraph, the Swiss Issuer Servicer or Swiss Issuer Special Servicer takes action prior to receiving a response from the Operating Adviser and the Operating Adviser objects to such actions within five Business Days after being notified of such action and being provided with all reasonably requested information, the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer must (subject always to the foregoing requirements described in this paragraph) take due account of the advice and representations made by the Operating Adviser regarding any further steps that should be taken.

A "**Control Valuation Event**" (as determined by the Swiss Issuer Servicer) will exist in relation to a Swiss Loan (including the Swiss Senior Loan and its related Swiss Subordinated Loan) on any date if the difference between (a) the then outstanding principal balance of the Swiss Subordinated Loan, minus (b) the applicable Valuation Reduction Amount, is less than 25 per cent. of the then outstanding principal balance of the Swiss Subordinated Loan.

"**Valuation Reduction Amount**" means the excess of:

(a) the aggregate outstanding principal balance of the Swiss Senior Loan and its related Swiss Subordinated Loan over

(b) the excess of:

(i) 90.0 per cent. of the sum of the values set forth in the respective valuations for each relevant Property (net of any prior security interests but including all reserves or similar amount held by the Swiss Issuer Servicer which may be applied toward payments on the Swiss Senior Loan and its related Swiss Subordinated Loan (other than amounts, if any, held in the relevant Borrower Account for ground rents)) over

(ii) the sum of:

(1) all unpaid interest on the Swiss Senior Loan and the Swiss Subordinated Loan;

(2) all unreimbursed Property Protection Advances made in relation to that Swiss Senior Loan and Swiss Subordinated Loan;

(3) any other unpaid fees, expenses and other amounts of any party that are payable prior to the Swiss Senior Loan; and

(4) all currently due and unpaid ground rents and insurance premium (net of any amounts held in the relevant Borrower Account for such purpose) and all other amounts due and unpaid with respect to the Swiss Senior Loan and the Swiss Subordinated Loan.

Annual Review and Reporting

The Issuer Servicer shall undertake an annual review of the Swiss Loan and shall prepare certain reports (including without limitation, quarterly reports) in respect of the Swiss Loan. Each of the Swiss Issuer Servicer and Swiss Issuer Special Servicer have agreed to provide any information in its possession which may be needed by the Issuer Servicer to carry out any such review or prepare any such reports.

Insurance

The Swiss Issuer Servicer will establish, administer and maintain procedures to monitor compliance by the Borrowers with the requirements of the Swiss Loan Agreement relating to insurance.

Hedging Arrangements

The Swiss Issuer Servicer will administer and perform certain other duties in respect of any hedging arrangements entered into by the Swiss Lender.

Property Protection Advances

The Swiss Loan Agreement obliges the Swiss Borrower to pay certain amounts to third parties, such as insurers and persons providing services in connection with the operation of the Swiss Properties. If: (a) the Swiss Borrower fails to pay any such amount (and there are insufficient funds available in the relevant Borrower Account to pay it) and (b) the Swiss Loan Agreement entitles the relevant lender to pay or discharge the obligation to the third party and (c) the Swiss Loan Agreement requires the Swiss Borrower to reimburse the lender for any payments so made and (d) the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer is satisfied that such amounts will, in addition to all other amounts due, be recoverable from the Swiss Borrower and (e) the Swiss Issuer Servicer or, as the case may be, the Swiss Issuer Special Servicer, is otherwise satisfied that it would be in accordance with the Servicing Standard and the Duty of Care to do so, then the Swiss Issuer Servicer or Swiss Issuer Special Servicer may make the relevant payment (any such payment being a "**Property Protection Advance**"). The Swiss Issuer Servicer or the Swiss Issuer Special Servicer may procure the making of a Property Protection Advance by requesting a Property Protection Drawing under the Swiss Inter-company Loan Agreement. Alternatively, if no funds are available to be drawn under the Swiss Inter-company Loan Agreement for that purpose and if the Swiss Issuer Servicer or Swiss Issuer Special Servicer decides in its sole discretion to do so, it may make a Property Protection Advance from its own funds. If the Swiss Issuer Servicer or the Swiss Issuer Special Servicer makes a Property Protection Advance from its own funds, it will be repaid (subject to the priority of payments) together with interest thereon at Swiss Francs three-month LIBOR plus the Liquidity Margin (the "**Swiss Reimbursement Rate**") on the Swiss Note Interest Payment Date immediately following the date on which such Property Protection Advance was made.

Modifications, Waivers, Amendments and Consents

The Swiss Issuer Servicer or, if the Swiss Loan is a Specially Serviced Loan, the Swiss Issuer Special Servicer will be responsible for responding to requests for consent to waivers or modifications relating to the Swiss Loan Agreement, or granting any consent requested by the Swiss Borrower or any other obligor under the Swiss Loan Agreement. However, neither the Swiss Issuer Servicer nor the Swiss Issuer Special Servicer may do so without the consent of the Swiss Subordinated Lender if the effect of the consent, modification or waiver would be to change the margin, the maturity date or principal balance of the Swiss Loan. The views of the Swiss Subordinated Lender in relation to any amendment, waiver or approval in respect of which its consent must be obtained may differ from those of the Swiss Issuer (or of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer on behalf of the Swiss Issuer) and may prevent the Swiss Issuer Servicer or the Swiss Issuer Special Servicer from taking, on behalf of the Swiss Issuer, action which it would otherwise consider appropriate to take in accordance with the Swiss Issuer Servicing Agreement. Notwithstanding any of the above, in no circumstances shall the Swiss Issuer Servicer or the Swiss Issuer Special Servicer follow any direction of the Swiss Subordinated Lender if such action would contradict the Servicing Standard and none of the above rights of the Swiss Subordinated Lender will prevent the Swiss Issuer Special Servicer from completing any enforcement action, realising upon the security for the Swiss Loan in connection with any action otherwise taken in accordance with the Swiss Issuer Servicing Agreement.

For further information about the rights of the Operating Adviser in relation to waivers, modifications, amendments and consents see ''Operating Adviser'' above at page 192.

Swiss Issuer Servicing Fee, Swiss Issuer Special Servicing Fee, Swiss Liquidation Fee and Swiss Workout Fee

On each Swiss Note Interest Payment Date, the Swiss Issuer Servicer will be entitled to be paid a fee (the ''**Swiss Issuer Servicing Fee**'') equal to 0.10 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance of the Swiss Loan and its Swiss Subordinated Loan as at the first day of the Swiss Loan Interest Period to which such Swiss Note Interest Payment Date relates. Following any termination of the Swiss Issuer Servicer's appointment as Swiss Issuer Servicer, the Swiss Issuer Servicing Fee will be paid to any substitute servicer appointed; provided that the Swiss Issuer Servicing Fee may be payable to any substitute servicer at a higher rate agreed in writing by the Issuer (but which does not exceed the rate then commonly charged by providers of loan servicing services in relation to commercial properties). The Issuer shall appoint the Note Trustee to make the relevant determination on its behalf.

On each Swiss Note Interest Payment Date, the Swiss Issuer Special Servicer will be entitled to be paid:

(a) a fee (a ''**Swiss Issuer Special Servicing Fee**'') equal to 0.25 per cent. per annum (plus VAT, if applicable) of the outstanding principal amount of the Swiss Loan including its related Swiss Subordinated Loan, for each day that the Swiss Loan is designated as a Specially Serviced Loan. The Swiss Issuer Special Servicing Fee will be paid in addition to the Swiss Issuer Servicing Fee. The Swiss Issuer Special Servicing Fee will accrue on a daily basis over such period and will be payable on each Swiss Note Interest Payment Date commencing with the Swiss Note Interest Payment Date immediately following the date on which such period begins and ending on the Swiss Note Interest Payment Date immediately following the end of such period;

(b) a liquidation fee (the ''**Swiss Liquidation Fee**'') equal to 1 per cent. of the proceeds of sale, net of costs and expenses of sale, if any, arising from the sale of the Swiss Loan or any part of a Swiss Property following the enforcement of the security (or deed in lieu thereof) in respect of the Swiss Loan (for the avoidance of doubt, inclusive of the Swiss Subordinated Loan) (plus VAT, if applicable) (such proceeds, ''**Swiss Liquidation Proceeds**'') which shall be payable in accordance with the terms of the Swiss Issuer Servicing Agreement. To the extent that any Swiss Liquidation Fee is payable by the Swiss Issuer, it will be payable in priority to the Swiss Note on the Swiss Note Interest Payment Date following the receipt of Swiss Liquidation Proceeds. Although the Swiss Liquidation Fee is intended to provide the Swiss Issuer Special Servicer with an incentive to better perform its duties, the payment of any Swiss Liquidation Fee by the Swiss Issuer may under certain circumstances reduce amounts payable to the holders of the Swiss Note; and

(c) a workout fee (the "**Swiss Workout Fee**") payable to the Swiss Issuer Special Servicer, if a Swiss Loan which was a Specially Serviced Loan subsequently becomes a Corrected Loan. The Swiss Workout Fee will be an amount equal to 1 per cent. of each collection of interest and principal received on each Swiss Loan including its related Swiss Subordinated Loan, for so long as it remains a Corrected Loan (plus VAT if applicable). However, no Work-out Fee will be payable if the Special Servicer Transfer Event which gave rise to such Swiss Loan becoming a Specially Serviced Swiss Loan, ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other Special Servicer Transfer Event occurred while such Swiss Loan and, including the Swiss Senior Loan and its related Swiss Subordinated Loan, remained a Specially Serviced Loan.

The Swiss Issuer Servicing Fee and the Swiss Issuer Special Servicing Fee will cease to be payable in relation to a Swiss Loan if any of the following events (each, a "**Liquidation Event**") occurs in relation to the Swiss Loan:

(a) the Swiss Loan is repaid in full;

(b) a Final Recovery Determination is made with respect to the Swiss Loan; or

(c) the Swiss Loan is repurchased by the Originator under the Swiss Loan Sale Agreement or purchased by the Swiss Subordinated Lender as described in "Swiss Intercreditor Deed" at page 199 or purchased by the Swiss Issuer Servicer.

"**Final Recovery Determination**" means in relation to the Swiss Loan, a determination by the Swiss Issuer Special Servicer, acting in accordance with Servicing Standard and the Duty of Care, that there has been a recovery of all principal as a result of enforcement procedures undertaken in respect of the Swiss Loan and other payments or recoveries that, in the Swiss Issuer Special Servicer's judgement, will ultimately be recoverable with respect to the Swiss Loan, such judgement to be exercised in accordance with the Servicing Standard and the Duty of Care.

On each Swiss Note Interest Payment Date, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer will be entitled to be reimbursed (with interest thereon) in respect of out-of-pocket costs, expenses and charges properly incurred by them in the performance of their servicing obligations. Such costs and expenses are payable by the Swiss Issuer (subject to the priority of payments) on the Swiss Note Interest Payment Date following the Swiss Loan Interest Period during which they are incurred by the Swiss Issuer Servicer or Swiss Issuer Special Servicer or, in the case of fees and expenses which are paid directly by the relevant Borrower immediately on the date which such fees and expenses are collected from the relevant Borrower.

The Swiss Intercreditor Deed provides that on each Swiss Interest Payment Date the fees and expenses payable to the Swiss Issuer Servicer and the Swiss Issuer Special Servicer on the next Swiss Note Interest Payment Date in relation to the Swiss Senior Loan and its related Swiss Subordinated Loan will be provided for before any payments of principal, interest or other amounts are paid to the Swiss Senior Lender or the Swiss Subordinated Lender, as the holders of the Swiss Note and the Swiss Subordinated Note, as the case may be. However, if, after providing for such payments, the receipts from the relevant Borrower would be insufficient to fund all amounts then due and payable to the Swiss Senior Lender, such priority payments will first be provided for from amounts otherwise payable to the Swiss Subordinated Lender. If, notwithstanding this application, the amount due to the Swiss Issuer Servicer and/or the Swiss Issuer Special Servicer is greater than the amount available to be paid to the Swiss Subordinated Lender, the Swiss Issuer will make good the relevant shortfall from Swiss Available Principal Receipts and Swiss Available Interest Receipts (which amounts may represent the proceeds of an Expenses Drawing made under the Swiss Inter-company Loan Agreement). The Swiss Issuer or the Swiss Senior Lender, as applicable, will be entitled to be reimbursed by the Swiss Subordinated Lender in respect of any such payment or deduction (together, as applicable, with interest at the rate payable by the Swiss Issuer on the relevant drawing under the Swiss Inter-company Loan Agreement (if such payment is made by the Swiss Issuer using the proceeds of a drawing under the Swiss Inter-company Loan Agreement) or with interest at the Swiss Reimbursement Rate (if such payment is made otherwise than by a drawing under the Swiss Inter-company Loan Agreement)) from amounts payable under the Swiss Subordinated Note on each following Swiss Note Interest Payment Date until the Swiss Issuer has been reimbursed in full, with interest at the appropriate rate. If the amount due to the Swiss Issuer Servicer and/or the Swiss Issuer Special Servicer is greater than the amount available to be paid out of Swiss Available Principal Receipts and Swiss

Available Interest Receipts on the next following Swiss Note Interest Payment Date, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the Swiss Inter-company Loan Agreement.

To the extent that any amounts are payable by the Swiss Issuer to the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, such amounts will be payable in accordance with the relevant priority of payments in priority to payments of principal and interest on the Swiss Note both before and after the occurrence of a Material Event of Default, such amounts having been paid to the Swiss Issuer in accordance with the Swiss Intercreditor Deed. This order of priority has been agreed with a view to procuring the continuing performance by the Swiss Issuer Servicer and Swiss Issuer Special Servicer of their respective duties at all times while the Swiss Note is outstanding.

Termination of Appointment of Swiss Issuer Servicer or Swiss Issuer Special Servicer

The Swiss Issuer may terminate the appointment of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer under the Swiss Issuer Servicing Agreement upon the occurrence of a termination event, including, among other things, a default in procuring the transfer on any Swiss Loan Interest Payment Date of the amounts required to be transferred from the relevant Borrower Accounts to the Swiss Issuer Transaction Account under the Swiss Issuer Servicing Agreement, or, in certain circumstances, a default in performance of certain covenants or obligations under the Swiss Issuer Servicing Agreement, or the occurrence of certain insolvency related events in relation to it. On the termination of the appointment of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer by the Swiss Issuer, the Swiss Issuer may, subject to certain conditions prescribed by the Swiss Issuer Servicing Agreement, appoint a substitute servicer or substitute special servicer, as the case may be.

The appointment of the person then acting as Swiss Issuer Special Servicer in relation to a particular Swiss Loan and, where relevant, its related Swiss Senior Loan and Swiss Subordinated Loan, may also be terminated upon the relevant Operating Adviser notifying the Swiss Issuer that it requires a replacement Swiss Issuer Special Servicer to be appointed.

Each of the Swiss Issuer Servicer and the Swiss Issuer Special Servicer may terminate its appointment upon not less than three months' notice to each of the Swiss Issuer, the Swiss Facility Agent, the Swiss Security Agent, the Swiss Senior Lender, the Swiss Subordinated Lender and the Swiss Issuer Servicer or the Swiss Issuer Special Servicer (whichever is not purporting to give notice).

No termination of the appointment of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as applicable, will be effective until a qualified substitute servicer or substitute special servicer, as the case may be, shall have been appointed and agreed to be bound by the any relevant documents, such appointment to be effective not later than the date of termination, and provided further that the Rating Agencies have confirmed that the then current ratings of the Notes will not be downgraded, withdrawn or qualified as a result thereof unless otherwise agreed by an Extraordinary Resolution of each class of the Noteholders.

General

Neither the Swiss Issuer Servicer nor the Swiss Issuer Special Servicer will be liable for any obligation of the Borrower or the other obligors under the Swiss Loan Agreement or the Swiss Related Security, have any liability for the obligations of the Swiss Issuer under the Swiss Note or of the Swiss Issuer under documents to which it is a party or have any liability for the failure by the Swiss Issuer to make any payment due by it under the Swiss Note or any documents to which it is a party save as expressly provided under the Swiss Issuer Servicing Agreement.

Cure, Purchase and Transfer Rights of the Swiss Subordinated Lender

Upon becoming aware that, on any day on which any amount is paid by or on behalf of the Swiss Borrower to the Swiss Facility Agent in respect of the Swiss Loan (each, a "**Swiss Loan Payment Date**"), there are unlikely to be sufficient funds standing to the credit of the Swiss Borrower's relevant accounts to discharge the Swiss Borrower's obligations to make all payments of principal and interest (other than default interest) then due to the Swiss Issuer, the Swiss Issuer Servicer will notify the Swiss Subordinated Lender or, if one has been appointed by the Swiss Subordinated Lender, the Operating Adviser. If, on a Swiss Loan Payment Date, the Swiss Borrower makes a payment which is insufficient to make all payments of principal and interest (other than default interest) then due to the Swiss Senior Lender (after paying or providing for all amounts which are, in accordance with the relevant Swiss Pre-Default Intercreditor Priority of Payments, to be paid or provided for in priority thereto) (i.e. there is a "**Swiss Senior Loan Payment Deficiency**"), then Swiss Issuer Servicer will notify the Swiss Subordinated Lender by no later than the 10.00 a.m. on Business Day following that Swiss Loan Payment Date. Within five business days after receiving such notification (such five business day period being the "**Swiss Cure Period**"), the Swiss Subordinated Lender will be entitled to pay into the Swiss Distribution Account an amount equal to the Swiss Senior Loan Payment Deficiency (a "**Swiss Cure Payment**"). If the Swiss Subordinated Lender makes such a Swiss Cure Payment, the amount of the Swiss Cure Payment will, for the purposes, as applicable, of the Swiss Intercreditor Deed and any other documents to which the Swiss Issuer is a party, be treated as having been received from the Swiss Borrower. Among other things, this means that if the Swiss Subordinated Lender makes a Swiss Cure Payment which ensures that the Swiss Issuer receives no less principal and interest (other than default interest) than it would have received, had the Swiss Borrower made all payments when they fell due, the Swiss Senior Loan and its related Swiss Subordinated Loan will not become a Specially Serviced Loan by virtue of the Swiss Borrower's default (solely with respect to the default for which such Swiss Cure Payment relates) and distributions will be made in respect of the Swiss Senior Loan and Swiss Subordinated Loan in accordance with the Swiss Pre-Material Default Intercreditor Priority of Payments. However:

(a) the rights of the Swiss Subordinated Lender arising as a result of the making of a Swiss Cure Payment will not result in the Swiss Subordinated Lender becoming subrogated to the rights of the Swiss Senior Lender;

(b) the making of Swiss Cure Payments will not affect the Swiss Borrowers' obligations under or in respect of the Swiss Senior Loan or the Swiss Subordinated Loan (or the Swiss Issuer's obligations under or in respect of the Swiss Note or the Swiss Subordinated Note) (including, without limitation, the relevant obligation to pay default interest or late payment charges) and will not limit the right of the Swiss Issuer Servicer or the Swiss Issuer Special Servicer to send default notices to and seek payment from the Swiss Borrower nor will such payments limit the right of the Swiss Issuer Servicer or Swiss Issuer Special Servicer as necessary to preserve the rights of the Swiss Issuer to direct the Swiss Facility Agent to act in accordance with provisions of the Swiss Loan Agreement and the documents creating or relating to the Swiss Related Security (although the Swiss Facility Agent will not be entitled to accelerate the relevant Swiss Loan).

If, prior to the Swiss Subordinated Lender making a Swiss Cure Payment, the Swiss Issuer has made a drawing under the Swiss Inter-company Loan Agreement in relation to the Swiss Senior Loan to which such Swiss Cure Payment relates, the Swiss Subordinated Lender shall, subject to the terms of the Swiss Intercreditor Deed, also pay to the Issuer an amount equal to the interest that is, or will be, payable by the Swiss Issuer on such drawing together with any break costs.

The Swiss Subordinated Lender may not make a Swiss Cure Payment or a Swiss Cure Deposit in relation to a particular Swiss Loan more than twice in any one 12 month period and no more than 4 times during the term of the relevant Swiss Loan. The Swiss Subordinated Lender will not be entitled to be paid any interest on Swiss Cure Payments.

In addition, within five days of being notified thereof in writing by the Swiss Issuer Servicer, the Swiss Subordinated Lender will also have the right to make any deposits necessary to remedy breaches of any financial covenants by the Swiss Borrower (each, a "**Swiss Cure Deposit**"). All

such amounts, in respect of the Swiss Loan, shall be paid into the Swiss Distribution Account and credited by the Swiss Facility Agent to a ledger (the "**Swiss Cure Deposit Ledger**") and shall be treated by the Swiss Facility Agent, for the purposes of the Swiss Loan Agreement, as if such amounts had been paid into the relevant Swiss Borrower's deposit account. The Swiss Subordinated Lender will also have the right to receive written notice (simultaneously with notice to the Swiss Borrower) of and to cure any other (non-monetary and non-insolvency) event of default within the same time period for cure provided to the Swiss Borrower under the applicable loan documentation, provided that (a) such event of default is capable of cure by the Swiss Subordinated Lender, but not within the Swiss Borrower's cure period, (b) the Swiss Subordinated Lender is, in the opinion of the Swiss Issuer Servicer or Swiss Issuer Special Servicer, as applicable, proceeding diligently and continuously to effect a cure of the default, (c) the Swiss Subordinated Lender has cured all monetary defaults, and (d) the Swiss Issuer Servicer, acting in accordance with the Servicing Standard, considers that the extended cure period will not have a material adverse effect on the value, use or operation of the relevant Swiss Property or on the recoverability of sums due under the relevant Swiss Loan, then the Swiss Subordinated Lender will have such time as the Swiss Issuer Servicer determines is reasonably necessary, with diligence, to complete the cure and the Swiss Issuer Servicer shall not take any action against the Swiss Borrower unless it is directed to do so by the Swiss Subordinated Lender and the Swiss Loan shall not, by virtue of the default in respect of which the Swiss Subordinated Lender's cure right is being exercised, become a Specially Serviced Loan.

Save as specifically provided under the "Swiss Pre-Material Default Intercreditor Priority of Payments" and "Swiss Post-Material Default Intercreditor Priority of Payments", reimbursement of Swiss Cure Payments made by the Swiss Subordinated Lender shall be subordinated to all rights of, among others, the Issuer with respect to the Swiss Senior Loan, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer. Any funds deposited in a Swiss Cure Deposit Ledger to cure a breach of financial covenants shall be released to the Swiss Subordinated Lender upon such breach ceasing to exist (provided that such release would not cause a further breach of a financial covenant). If the Swiss Loan is accelerated while amounts are standing to the credit of the Swiss Cure Deposit Ledger, the Swiss Facility Agent shall apply such amount in accordance with the Swiss Post-Material Default Intercreditor Priority of Payments.

While the Swiss Senior Loan is a Specially Serviced Loan, but prior to a Final Recovery Determination having been made in respect thereof, the Swiss Subordinated Lender may elect to purchase the Swiss Note relating to the Swiss Loan, on any Swiss Note Interest Payment Date, at par plus accrued interest plus all out-of-pocket costs and expenses incurred by the Swiss Issuer in connection with such purchase (including all enforcement costs that may have been incurred).

Subject to any restrictions in the Swiss Loan Agreement and the Swiss Intercreditor Deed, the Swiss Subordinated Lender may transfer to any other person the Swiss Subordinated Note and may pledge its interest in some or all of the Swiss Subordinated Note in connection with any financing.

Priorities of payments between the Swiss Issuer and the Subordinated Lender

On each Swiss Loan Interest Payment Date under the Swiss Loan Agreement the Swiss Issuer Servicer will procure the transfer of or transfer to an account in the name of the Swiss Issuer (the "**Swiss Distribution Account**") all amounts due from the Swiss Borrower and standing to the credit of the Swiss Borrower's Account to meet the Swiss Borrower's payment obligations under the Swiss Loan Agreement. The Swiss Issuer Servicer will, for the Swiss Senior Loan and its related Swiss Subordinated Loan, maintain ledgers within the Swiss Distribution Account in which it will record payments received from the Swiss Borrower under the Swiss Senior Loan and its related Swiss Subordinated Loan, all Swiss Cure Payments, Swiss Cure Deposits and/or payments to the Swiss Grace Period Ledger made by the Swiss Subordinated Lender in respect thereof and all payments and provisions made in accordance with the priorities of payments set forth in the following paragraphs.

On each Swiss Loan Interest Payment Date on which a Material Event of Default does not exist (including, for the avoidance of doubt, following any cure of a Material Event of Default); all amounts standing to the credit of the Swiss Distribution Account (other than amounts credited to the Grace Period Ledger and the Swiss Cure Deposit Ledger) which was received in relation to the Swiss Loan during the Swiss Loan Interest Period ending on that Swiss Loan Interest Payment

Date will be distributed by the Swiss Issuer Servicer in the following order of priority ("**Swiss Pre-Material Default Intercreditor Priority of Payments**"):

(a) first, to pay *pari passu* and *pro rata* any unpaid fees, costs and expenses payable by the Swiss Issuer, as the lender under the Swiss Loan Agreement, to the administrative parties thereunder and recoverable from the Swiss Borrower thereunder;

(b) second, to pay or make provision, *pro rata* and *pari passu* for the Swiss Issuer Servicing Fee the Swiss Issuer Special Servicing Fee, Swiss Liquidation Fee, Swiss Workout Fee and any other costs and expenses payable by the Swiss Issuer to the Swiss Issuer Servicer or Swiss Issuer Special Servicer under the Swiss Issuer Servicing Agreement in connection with the servicing of the Swiss Loan;

(c) third, to pay *pari passu* and *pro rata*;

  (i) interest due but unpaid (excluding default interest) to the Swiss Senior Lender under the Swiss Note at the relavant senior rate; and

  (ii) interest due but unpaid (excluding default interest) to the Swiss Subordinated Lender under the Swiss Subordinated Note at the relevant subordinated rate,

  (iii) amounts payable, if any, by the Swiss Issuer to an entity (the "**Swiss Subordinated Swap Provider**") in relation to the interest rate hedging arrangement between the Swiss Issuer and the Swiss Subordinated Swap Provider (the "**Swiss Subordinated Note Swap**") (whether by way of net periodic payments, termination costs or otherwise, but excluding any termination costs which are payable to the Swiss Subordinated Swap Provider as a result of a default by the Swiss Subordinated Swap Provider), which amounts will be paid by the Swiss Issuer Servicer directly to the Swiss Subordinated Swap Provider, should such an arrangement have been entered into;

(d) fourth, to repay *pari passu* and *pro rata*:

  (i) principal amounts outstanding under the Swiss Note to the Swiss Senior Lender (as adjusted for any break losses or gains);

  (ii) principal amounts outstanding under the Swiss Subordinated Note to the Swiss Subordinated Lender (as adjusted for any break losses or gains),

  up to an amount which is no greater than the Swiss Principal Distribution Amount (as defined in the Swiss Intercreditor Deed); and

(e) fifth, to repay to the Swiss Subordinated Lender any outstanding Swiss Cure Payments to the extent that the Swiss Issuer has recovered such amounts from the obligors together with interest in an amount equal to any Net Default Interest (as defined in the Swiss Intercreditor Deed) actually recovered from the Swiss Borrower in relation to the overdue amounts in respect of which such Swiss Cure Payment was made;

(f) sixth, to pay to the Swiss Senior Lender and the Swiss Subordinated Lender *pari passu* and *pro rata* any other amounts (other than prepayment fees) due to them under the Swiss Note and the Swiss Subordinated Note including, for the avoidance of doubt, any default interest (to the extent that any default interest remains after the payment of Net Default Interest to the Swiss Subordinated Lender under (e) above);

(g) seventh, to pay the Swiss Issuer an amount equal to prepayment fees paid to the Swiss Issuer under the Swiss Loan Agreement; and

(h) eighth, to pay to the Swiss Subordinated Swap Provider any termination costs which are payable to the Swiss Subordinated Swap Provider as a result of a default by the Swiss Subordinated Swap Provider,

provided always if, after making the payments which are payable in priority to amounts due to the Swiss Senior Lender, the Swiss Income standing to the credit of the Swiss Distribution Account on any Swiss Loan Interest Payment Date is insufficient to fund all amounts then due and payable to the Swiss Senior Lender, such priority payments will first be paid from amounts otherwise payable to the Swiss Subordinated Lender.

For the avoidance of doubt, the fees, costs and expenses referred to in items (a) and (b) above shall only extend to those which are payable by the Swiss Issuer under the Swiss Loan Agreement and the Swiss Issuer Servicing Agreement and shall not (save to the extent provided

for above) include any other costs and expenses incurred by the Swiss Issuer, the Swiss Senior Lender or the Swiss Subordinated Lender in connection with the transfer, financing or securitisation of its interest in the Swiss Loan, the Swiss Note or the Swiss Subordinated Note, as the case may be.

If on any Swiss Loan Interest Payment Date there is an insufficient amount available to be paid to the Swiss Subordinated Lender in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the Swiss Pre-Material Default Intercreditor Priority of Payments, then the Swiss Issuer will pay the shortfall from Swiss Available Principal Receipts and Swiss Available Interest Receipts which are otherwise available to the Swiss Issuer (which amounts may represent the proceeds of a drawing by the Issuer pursuant to the Swiss Inter-company Loan Agreement).

The Swiss Issuer will be entitled to be reimbursed by the Swiss Subordinated Lender in respect of any such payment made in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the Swiss Inter-company Loan Agreement (if such payment is made using the proceeds of such a drawing) or with interest at the Swiss Reimbursement Rate (if such payment is made otherwise than by a drawing under the Swiss Inter-company Loan Agreement)) from amounts payable under the Swiss Subordinated Loan on each following Swiss Loan Interest Payment Date until the Swiss Issuer has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the Swiss Subordinated Lender.

Upon the occurrence of a Material Event of Default in respect of the Swiss Loan, for so long as the Swiss Subordinated Lender is not making a Swiss Cure Payment, all amounts that would have been distributed to the Swiss Subordinated Lender pursuant to the Swiss Pre-Material Default Intercreditor Priority of Payments will be held back by the Swiss Facility Agent, under a separate Ledger in the Swiss Distribution Account, (the "**Swiss Grace Period Ledger**"). If the Swiss Subordinated Lender makes a Swiss Cure Payment, or if the Swiss Borrower cures all defaults, the amounts held in the applicable Swiss Grace Period Ledger will be disbursed to the Swiss Subordinated Lender within two Business Days. If, however, the Swiss Subordinated Lender does not make a Swiss Cure Payment during any applicable Swiss Cure Period and the relevant Swiss Borrower does not cure all defaults, the amounts held in the applicable Swiss Grace Period Ledger will be disbursed pursuant to the Swiss Post-Material Default Intercreditor Priority of Payments on the next Swiss Loan Interest Payment Date.

If, on a Swiss Loan Interest Payment Date, a Material Event of Default exists, all amounts received in relation to the Swiss Loan (including the Swiss Cure Deposit Ledger, the Grace Period Ledger and net periodic payments by the Swiss Subordinated Swap Provider under the Swiss Subordinated Note Swap) during the Swiss Loan Interest Period ending on that Swiss Loan Interest Payment Date and standing to the credit of the Swiss Distribution Accounts will be applied by the Swiss Issuer Servicer in the following order of priority (the "**Swiss Post Material Event of Default Intercreditor Priority of Payments**"):

(a) first, to pay *pro rata* and *pari passu* any unpaid fees, costs and expenses payable by the Swiss Issuer, as lender under the Swiss Loan Agreement, to the administrative parties thereunder;

(b) second, to pay or make provision *pro rata* and *pari passu* for the Swiss Issuer Servicing Fee the Swiss Issuer Special Servicing Fee, Swiss Liquidation Fee, Swiss Workout Fee and any other costs and expenses payable by the Swiss Issuer to the Swiss Issuer Servicer or Swiss Issuer Special Servicer under the Swiss Issuer Servicing Agreement in connection with the servicing of the Swiss Loan;

(c) third, to pay interest due but unpaid (excluding default interest) to the Swiss Senior Lender under the Swiss Note;

(d) fourth, to repay principal amounts outstanding under the Swiss Note (as adjusted for any break losses or gains) to the Swiss Senior Lender until the Swiss Note is repaid in full;

(e) fifth, to pay any amounts payable by the Swiss Issuer to the Swiss Subordinated Swap Provider in relation to the Swiss Subordinated Note Swap (whether by way of net periodic payments, termination costs or otherwise, but excluding any termination costs which are payable to the Swiss Subordinated Swap Provider as a result of a default by the Swiss Subordinated Swap Provider) or, if and to the extent that the Swiss

Subordinated Note Swap has been terminated on that Swiss Loan Interest Payment Date, to pay any interest accrued due but unpaid on the Swiss Subordinated Note (excluding default interest);

(f) sixth; to pay interest due but unpaid (excluding default interest) to the Swiss Subordinated Lender under the Swiss Subordinated Note;

(g) seventh; to repay to the Swiss Subordinated Lender any outstanding Swiss Cure Payments together with interest in an amount equal to any Net Default Interest (as defined in the Swiss Intercreditor Deed) actually recovered in relation to the overdue amount in respect of which the Swiss Cure Payment was made;

(h) eighth; to repay principal amounts outstanding under the Swiss Subordinated Note (as adjusted for any break losses or gains) to the Swiss Subordinated Lender until the Swiss Subordinated Note is paid in full;

(i) ninth, to pay to the Swiss Issuer an amount equal to any prepayment fees paid to the Swiss Issuer under the Swiss Loan Agreement; and

(j) tenth; to the Swiss Senior Lender and the Swiss Subordinated Lender *pari passu* and *pro rata*, any default interest on overdue amounts (to the extent that any default interest remains after the payment of Net Default Interest to the Swiss Subordinated Lender under item (g) above) and any other amounts payable by the Swiss Issuer to the Swiss Senior Lender and the Swiss Subordinated Lender relating to amounts recoverable from the Swiss Borrower; and

(k) eleventh, to pay to the Swiss Subordinated Swap Provider any termination costs which are payable to the Swiss Subordinated Swap Provider as a result of a default by the Swiss Subordinated Swap Provider,

provided always if, after making the payments which are payable in priority to amounts due to the Swiss Senior Lender the Swiss Income standing to the credit of the Swiss Distribution Account on any Swiss Loan Interest Payment Date is insufficient to fund all amounts then due and payable to the Swiss Senior Lender, such priority payments will first be paid from amounts otherwise payable to the Swiss Subordinated Lender.

If on any Swiss Loan Interest Payment Date there is an insufficient amount available in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the Swiss Post-Material Default Intercreditor Priority of Payments, then the Swiss Issuer will pay the shortfall from Swiss Available Principal Receipts and Swiss Available Interest Receipts which are otherwise available to the Swiss Issuer (which amounts may represent the proceeds of a drawing by the Swiss Issuer pursuant to the Swiss Inter-company Loan Agreement).

The Swiss Issuer will be entitled to be reimbursed by the Swiss Subordinated Lender in respect of any such payment made (other than amounts contemplated in (b)(i) above) in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the Liquidity Facility Agreement (if such payment is made using the proceeds of such a drawing) or with interest at the Swiss Reimbursement Rate) (if such payment is made otherwise than by a drawing under the Liquidity Facility Agreement)) from amounts payable under the Swiss Subordinated Loan on each following Swiss Loan Interest Payment Date until the Swiss Issuer has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the Swiss Subordinated Lender.

"**Material Event of Default**" means, in relation to a particular Swiss Loan, either or both of the following:

(a) a Payment Event of Default; and

(b) the Swiss Borrower stopping payment or threatening to stop payment of its debts or being or becoming unable to pay its debts as they fall due or otherwise becoming insolvent, insolvency proceedings being commenced or threatened against the Swiss Borrower or any attachment, sequestration, distress, diligence or execution being effected against any assets of the Swiss Borrower.

"**Swiss Principal Distribution Amount**" means, in relation to any Swiss Loan Interest Period, all principal payments made in respect of the Swiss Loan (other than any principal received under the Swiss Loan which is allocated towards the repayment of an amount in respect of which a Swiss Cure Payment was made), including all amortisation payments, balloon payments,

prepayments, unscheduled payments of principal and Swiss Cure Payments made by the Swiss Subordinated Lender which are allocated towards principal and which are deposited into the Swiss Distribution Account during that Swiss Loan Interest Period.

"**Net Default Interest**" means the difference (if any) between the amount of interest which the Swiss Borrower is obliged to pay as a result of the Swiss Borrower's Loan being in default and the amount of interest which the Swiss Borrower would be required to pay, if such Loan was not in default.

"**Payment Event of Default**" means, in relation to the Swiss Loan, a failure by the Swiss Borrower to pay (subject to any applicable grace period) any amount due under the Swiss Loan Agreement or related finance documents on the date on which it is due (unless the Swiss Subordinated Swiss Lender has made a Swiss Cure Payment which is sufficient to ensure that all amounts which are then due and payable on the Swiss Senior Loan have been, or will on that date be, paid in full or any Swiss Cure Period has not yet expired).

"**Swiss Income**" means, in relation to the Swiss Loan, all payments applied in or towards satisfaction of the Swiss Borrower's obligations to the lenders under the Swiss Loan Agreement, together with all Swiss Cure Payments made by the Swiss Subordinated Lender in relation to the relevant Swiss Loan.

The Swiss Issuer may, notwithstanding the description set out herein, enter into a Swiss Intercreditor Deed on terms which are different to those described herein, subject to receipt of Rating Agency Confirmations from two of the Rating Agencies and provided that, in respect of Moody's, the Swiss Issuer is only required to provide at least 10 Business Days prior notice to Moody's of such entry.

SERVICING AND INTERCREDITOR ARRANGEMENTS FOR THE ISSUER ASSETS

In this section, the German Loans (other than the ATU Senior Loan) are referred to as the relevant German Loans and the German Subordinated Loans (other than the ATU Subordinated Loans) are referred to as the relevant German Subordinated Loans or related German Subordinated Loans.

Introduction

Pursuant to the Issuer Servicing Agreement, each of the Issuer, the Issuer Security Trustee and the German Subordinated Lenders will appoint Deutsche Bank AG, London Branch as the Issuer Servicer and Hatfield Philips International Limited as the Issuer Special Servicer to act as their agents and to exercise all their rights, powers and discretions, in relation to the ATU Note, the Swiss Note, the Dutch Loan and the relevant German Loans, including without limitation, any relevant German Senior Loans and German Subordinated Loans, and the relevant Dutch Related Security or German Related Security. The Dutch Security Trustee and German Security Trustee will each delegate to the Issuer Servicer, and in certain circumstances, the Issuer Special Servicer the exercise of all their rights, powers and discretions in relation to the Dutch Loan and relevant German Loans (as applicable) and the relevant Dutch Related Security or German Related Security, other than those which may only be exercised by the legal owner of the relevant Dutch Related Security or German Related Security (which the Dutch Security Trustee or the German Security Trustee (as applicable) will agree only to exercise in accordance with the instructions of the Issuer Servicer or, in certain circumstances, the Issuer Special Servicer). In the case of the Dutch Loan and relevant German Loans, including without limitation, any relevant German Senior Loans and German Subordinated Loans, when exercising the rights, powers and discretions of the Issuer and any relevant Subordinated Lender, and of the Dutch Security Trustee or the German Security Trustee (as applicable), the Issuer Servicer or, as the case may be, the Issuer Special Servicer, must act in accordance with, among other things, the terms of the Servicing Standard and the relevant Intercreditor Deeds (as applicable).

Servicing Standard

Each of the Issuer Servicer and the Issuer Special Servicer are required to perform its duties in accordance with and subject to the "**Servicing Standard**" which comprises, in relation to the Dutch Loan and the relevant German Loans, the following requirements: (a) all applicable law and regulations, (b) the relevant Loan Agreements and the documents entered into in connection therewith, (c) the relevant Intercreditor Deeds (if applicable), (d) the Issuer Servicing Agreement and (e) the higher of:

(i) the same manner and with the same skill, care and diligence it applies in servicing similar loans for other third parties; and

(ii) the standard of care, skill and diligence which it applies in servicing commercial mortgage loans in its own portfolio,

in each case giving due consideration to customary and usual standards of practice of reasonably prudent commercial mortgage servicers servicing commercial mortgage loans which are similar to the relevant Loans and Dutch Related Security and/or German Related Security with a view to the timely collection of all scheduled payments of principal, interest and other amounts due in respect of each relevant Loan (or, if a relevant Loan is a Senior Loan, that Senior Loan and its related Subordinated Loan, as a collective whole) and, if a relevant Loan comes into and continues in default, the maximisation of the recoveries on that Loan (or, if a relevant Loan is a Senior Loan, that Senior Loan and its related Subordinated Loan, as a collective whole). If there is a conflict between the requirements which together comprise the Servicing Standard, they will be applied in the order in which they appear above.

The Issuer Servicer and the Issuer Special Servicer are required to adhere to the Servicing Standard without regard to any fees or other compensation to which they are entitled, any relationship they or any of their affiliates may have with any party to the transaction entered into in connection with the Notes or with any Borrower or any affiliate of any Borrower or the ownership of any Note or any interest in any relevant German Subordinated Loan by the Issuer Servicer or Issuer Special Servicer or any affiliate thereof. In performing their duties in relation to the relevant German Loans which are Senior Loans and their related Subordinated Loans, the Issuer Servicer

must do so on behalf of the Issuer and the relevant Subordinated Lender as a collective whole. However, the relevant German Subordinated Lenders acknowledge in the Issuer Servicing Agreement and relevant Intercreditor Deeds that, due to the subordinated nature of the Subordinated Lender's interest, notwithstanding compliance by the Issuer Servicer or, as the case may be, the Issuer Special Servicer with the Servicing Standard and the related terms set out above, the relevant Subordinated Lender may suffer a loss or be otherwise adversely affected in circumstances where no such adverse effect, loss, or a smaller loss, is suffered by the Issuer as the Senior Lender.

The Issuer Servicer and the Issuer Special Servicer may without the consent of any other person (including without limitation the Issuer or the Issuer Security Trustee), sub-contract or delegate their respective obligations under the Issuer Servicing Agreement. Notwithstanding any sub-contracting or delegation of the performance of any of its obligations under the Issuer Servicing Agreement, the Issuer Servicer or the Issuer Special Servicer, as the case may be, shall not be released or discharged from any liability thereunder and shall remain responsible for the performance of its obligations under the Issuer Servicing Agreement by any sub-contractor or delegate.

If a relevant German Loan is a Senior Loan it will be serviced in the same manner as its related Subordinated Loan or Subordinated Loans, subject to and in accordance with, among other things, the Servicing Standard and the terms of the relevant Intercreditor Deeds. All decisions made, and discretions exercised, in relation to a relevant German Senior Loan will apply equally to the related Subordinated Loan or Subordinated Loans. The Subordinated Lender, or the Operating Adviser acting on its behalf, has certain rights in relation to the making of such decisions and the exercise of such discretions and the Issuer Servicer and Issuer Special Servicer will, subject to the terms of the relevant Intercreditor Deeds and as required by the Servicing Standard, be required to take the interests of the relevant Subordinated Lender into account when exercising their powers and performing their duties in relation to the relevant German Senior Loans. However, no rights of the Operating Adviser or any Subordinated Lender may cause the Issuer Servicer or the Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard and none of the aforementioned rights will prevent the Issuer Special Servicer from completing any enforcement action, realising upon the security for the relevant German Senior Loan.

In addition to its functions in relation to the Dutch Loan and relevant German Loans, the Issuer Servicer will also exercise the rights of the Issuer in respect of the ATU Note and the Swiss Note but not, for the avoidance of doubt, the ATU Loan or the Swiss Loan.

Roles of the Issuer Servicer and Issuer Special Servicer

The Issuer Servicer will service and administer the Dutch Loan and each relevant German Loan until the occurrence of a Special Servicer Transfer Event in relation to that Loan.

The Dutch Loan and relevant German Loans, as the case may be, will become subject to a "**Special Servicer Transfer Event**" in the event any of the following occurs:

(a) a payment default on a relevant Loan on its final maturity date if not extended;

(b) any payment by the Borrower under a relevant Loan Agreement being more than 45 days overdue;

(c) the Borrower becoming the subject of insolvency proceedings or certain other insolvency related events;

(d) the Issuer Servicer or the Issuer Special Servicer, as the case may be, receiving a notice of the enforcement of any other security on the related Property; and

(e) any other material default occurring which is not cured within the applicable cure period or, which in the opinion of the Issuer Servicer is not likely to be cured within 30 days, that would, in the opinion of the Issuer Servicer as applicable, be likely to have a material adverse effect upon the Issuer or, if a relevant Loan is a Senior Loan, the relevant Subordinated Lender.

The Issuer Special Servicer will formally assume special servicing duties in respect of the Dutch Loan or a relevant German Loan (and, if it is a Senior Loan, the related Subordinated Loan) and the Dutch Loan or a relevant German Loan and, if applicable, its related Subordinated Loan will become a "**Specially Serviced Loan**" on the occurrence of a Special Servicer Transfer Event. Full servicing of the Dutch Loan or a German Loan, and if applicable, its related Subordinated

Loan which has become a Specially Serviced Loan will be retransferred to the Issuer Servicer and it will become a "**Corrected Loan**" when no monetary Special Servicer Transfer Event has occurred for two interest periods and the facts giving rise to any other Special Servicer Transfer Event have ceased to exist and no other matter exists which would give rise to that Loan becoming a Specially Serviced Loan. Similarly, if the relevant German Subordinated Lender makes a German Cure Payment or a German Cure Deposit in respect of a relevant German Loan, the making of such payment or deposit or exercise of other cure right will prevent the occurrence of a Special Servicer Transfer Event or will lead to the retransfer of servicing responsibility in respect of that Loan to the Issuer Servicer.

Notwithstanding the appointment of the Issuer Special Servicer, the Issuer Servicer will be required to continue to collect information and prepare all reports required to be collected or prepared by it under the Issuer Servicing Agreement (subject to receipt by it of the required information from, as applicable, the Issuer Special Servicer, the Swiss Issuer Servicer, the Swiss Issuer special Servicer, the ATU Issuer Servicer or ATU Issuer Special Servicer) and to perform certain other day-to-day administrative functions. Neither the Issuer Servicer nor the Issuer Special Servicer will have responsibility for the performance by the other of its obligations and duties under the Issuer Servicing Agreement.

Operating Adviser

The Controlling Party in relation to the Dutch Loan or a relevant German Loan may appoint a representative, being the Operating Adviser, to represent its interests when the Issuer Servicer or the Issuer Special Servicer are making decisions regarding the relevant Loans. If a relevant German Loan has a related Subordinated Loan then, provided a Control Valuation Event has not occurred, the relevant Subordinated Lender will be the Controlling Party in relation to that Senior Loan and its related Subordinated Loan. If relevant German Loan does not have a related Subordinated Loan, or a Control Valuation Event has occurred in respect of such Loan, the Controlling Class will be the Controlling Party. Any Operating Adviser appointed prior to a Control Valuation Event (where applicable) by the Controlling Party in relation to the Dutch Loan or a relevant German Loan will be entitled to require the Issuer to replace the person then acting as the Issuer Special Servicer in relation to that Loan and, if applicable, its related Subordinated Loan, with a person nominated by the Operating Adviser (subject to, among other things, the Rating Agencies confirming that the appointment of the nominee will not result in the then current rating assigned to any class or classes of Notes being downgraded, withdrawn or qualified).

The Issuer Servicer or, if the Dutch Loan or relevant German Loan is a Specially Serviced Loan, the Issuer Special Servicer may agree to any request by the relevant Borrower or any other relevant obligor to provide a consent if the provisions of the relevant Loan Agreement require such consent to be granted, subject to certain conditions being satisfied, provided that the Issuer Servicer or the Issuer Special Servicer, as applicable, is acting in accordance with the Servicing Standard and the Operating Advisor is satisfied that the relevant conditions have been met and provided further that, if the Operating Advisor and the Issuer Servicer or, as the case may be, the Issuer Special Servicer do not agree that the relevant conditions have been met, the views of the Issuer Servicer or, as the case may be, the Issuer Special Servicer shall prevail over those of the Operating Advisor.

The Issuer Servicer or, if at the relevant time the Dutch Loan or relevant German Loan is a Specially Serviced Loan, the Issuer Special Servicer must also give prior notice to the Operating Adviser of its intention to take certain decisions in relation to that Loan (and, if applicable, its related Subordinated Loan or Subordinated Loans), including to:

(a) make an amendment to the relevant Loan Agreement which would result in the extension or shortening of the final maturity date;

(b) modify the interest rate on all or any part thereof;

(c) modify the amount or timing of any payment of interest or principal;

(d) forgive any interest or principal;

(e) make any further advance;

(f) agree to the release of any Property from the security created by the relevant Related Security and/or to the substitution of any Property that secures the relevant Loan with any other Property (other than in circumstances which are contemplated by the relevant Loan Agreement);

(g) release the relevant Borrower (or any other person (each an "**Obligor**") obligated to provide security or make payment under the relevant Loan Agreement) from its obligations;

(h) agree to the further encumbrance of any assets which secure the relevant Loan;

(i) waive or reduce any prepayment fee, late payment charge or default interest;

(j) confirm to the relevant Borrower the amount of breakage costs or prepayment fees payable on a redemption (in whole or in part);

(k) cross-default the relevant Loan to any other indebtedness of the relevant Borrower;

(l) approve any material capital expenditure;

(m) agree to the modification in any material respect of any headlease by which any Obligor holds an interest in a Property;

(n) agree to change any reporting requirements under the relevant Loan Agreement;

(o) consent to the creation of any mezzanine debt of any direct or indirect owner of the relevant Borrower that would be paid from distributions of net cash flows from any Property;

(p) accept any insurance company or underwriter pursuant to the relevant Loan Agreement;

(q) consent to the grant of any new occupational lease or the modification or termination of any existing occupational lease unless in accordance with the relevant Loan Documents or, as the circumstances require, as determined by the Issuer Servicer or the Issuer Special Servicer acting in accordance with the Servicing Standard, consent cannot be unreasonably withheld or delayed;

(r) commence formal enforcement proceedings in respect of any Related Security for the repayment of the relevant Loan, including the appointment of a receiver or administrator or similar or analogous proceedings;

(s) take any action to remedy an environmental problem at any relevant Property;

(t) waive any Loan event of default;

(u) approve a restructuring plan in insolvency of the relevant Borrower;

(v) defer interest on all or any part of the relevant Loan for more than 10 Business Days;

(w) modify any provision of the relevant Loan Agreement relating to the rights of a relevant Lender to assign its interest therein; or

(x) modify any provision of the relevant Loan Documents relating to any of the following:

(i) reserve requirements;

(ii) rent collection;

(iii) cash management;

(iv) financial covenants;

(v) hedging requirements;

(vi) insurance requirements;

(vii) the basis on which all or any part of the security for the relevant Loan may be released or substituted;

(viii) the basis on which all or any of the Obligors may be released from their obligations under the relevant Loan Documents; and

(ix) the basis on which further encumbrances of any relevant Property may be created.

Following such notification, the Issuer Servicer or, as the case may be, the Issuer Special Servicer will not take the relevant action until the earliest of (a) in the case of items (a) to (e) (inclusive) above, five Business Days and, in the case of items (f) to (x) (inclusive) above, ten Business Days, after the Operating Adviser has been notified of the relevant matter and of the

Issuer Servicer or the Issuer Special Servicer's proposals in relation thereto; and (b) the date on which the Operating Adviser confirms that the Issuer Servicer or Issuer Special Servicer may proceed in accordance with those proposals. If, prior to five (or, as the case may be, ten) Business Days after the notification referred to above, the Operating Adviser notifies the Issuer Servicer or the Issuer Special Servicer that it disapproves of the proposed course of action it shall also suggest to the Issuer Servicer or Issuer Special Servicer, as applicable, alternative courses of action. Within five (or, as the case may be, ten) Business Days thereafter, the Issuer Servicer or the Issuer Special Servicer shall submit to the Operating Adviser a revised proposal which shall, to the extent that the same are not inconsistent with the Servicing Standard, incorporate the alternatives suggested by the Operating Adviser.

The Issuer Servicer and the Issuer Special Servicer shall continue to revise their proposals in the manner described in the preceding paragraph until the earliest of:

(a) the delivery by the Operating Adviser of an approval in writing of such revised proposal;

(b) failure of the Operating Adviser to disapprove of such revised proposal in writing by the fifth (or, as the case may be, tenth) Business Day after its delivery to the Operating Adviser; and

(c) the passage of 45 days from the date of preparation of the first version of the proposal submitted by the Issuer Servicer or the Issuer Special Servicer.

Notwithstanding any of the foregoing requirements, no right of an Operating Adviser to be consulted in connection with any Dutch Loan or relevant German Loan shall permit the Issuer Servicer or the Issuer Special Servicer to take any action or to refrain from taking any action which, in the good faith and reasonable judgement of the Issuer Servicer or Issuer Special Servicer, as applicable, would cause the Issuer Servicer or Issuer Special Servicer to violate the Servicing Standard. Nor will the Issuer Servicer or the Issuer Special Servicer refrain from taking any action pending receipt of any proposals, following consultation of the Operating Adviser if the Issuer Servicer or Issuer Special Servicer, in its good faith and reasonable judgement, determines that immediate action is necessary to comply with the Servicing Standard. The taking of any action prior to the receipt of the Operating Adviser's approval thereof or in a manner which is contrary to the directions of, or disapproved by, the Operating Adviser shall not constitute a breach by the Issuer Servicer or the Issuer Special Servicer of the Issuer Servicing Agreement so long as, in the Issuer Servicer's or the Issuer Special Servicer's good faith and reasonable judgement, such action was required by the Servicing Standard. If, in order to comply with the requirements described in this paragraph, the Issuer Servicer or the Issuer Special Servicer takes action prior to receiving a response from the Operating Adviser and the Operating Adviser objects to such actions within five Business Days after being notified of such action and being provided with all reasonably requested information, the Issuer Servicer or, as the case may be, the Issuer Special Servicer must (subject always to the foregoing requirements described in this paragraph) take due account of the advice and representations made by the Operating Adviser regarding any further steps that should be taken.

A "**Control Valuation Event**" will exist in relation to a relevant German Loan and its related Subordinated Loan on any date if the difference between (a) the then outstanding principal balance of the relevant Subordinated Loan, minus (b) the applicable Valuation Reduction Amount, is less than 25 per cent. of the then outstanding principal balance of the relevant Subordinated Loan.

"**Valuation Reduction Amount**" means the excess of:

(a) the aggregate outstanding principal balance of the relevant Senior Loan and the relevant Subordinated Loan over

(b) the excess of:

  (i) 90.0 per cent. of the sum of the values set forth in the respective valuations for each relevant Property (net of any prior security interests but including all reserves or similar amount held by the Issuer Servicer which may be applied toward payments on the relevant Senior Loan and its related Subordinated Loan (other than amounts held in the relevant Borrower Account for ground rents)) over

  (ii) the sum of:

    (1) all unpaid interest on the relevant Senior Loan and the relevant Subordinated Loan;

(2) all unreimbursed Property Protection Advances made in relation to that relevant Senior Loan and the relevant Subordinated Loan;

(3) any other unpaid fees, expenses and other amounts of any party that are payable prior to the relevant Senior Loan; and

(4) all currently due and unpaid ground rents and insurance premium (net of any amounts held in the relevant Borrower Account for such purpose) and all other amounts due and unpaid with respect to the relevant Senior Loan and the relevant Subordinated Loan.

Annual Review Procedure

The Issuer Servicer is required to undertake an annual review of the Dutch Loan, the German Loans and the Swiss Loan. The Issuer Servicer may conduct more frequent reviews if it has cause for concern as to the ability of any Borrower to meet its obligations under the relevant Loan Agreement. Such a review (annual or otherwise) may, but need not necessarily, include an inspection of the relevant Property or Properties constituting security therefor and will include analysis of the cash flow arising from the relevant Property or Properties. The Issuer Special Servicer, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer have each agreed to provide any information in its possession which may be requested by the Issuer Servicer to carry out any such review.

Insurance

The Issuer Servicer will establish, administer and maintain procedures to monitor compliance by the Borrowers with the requirements of the relevant Loan Agreements relating to insurance.

Hedging Arrangements

The Issuer Servicer will administer and perform certain other duties in respect of any hedging arrangements entered into by the Issuer.

Property Protection Advances

The Dutch Loan Agreement and the relevant German Loan Agreements oblige the Borrowers to pay certain amounts to third parties, such as insurers and persons providing services in connection with the operation of the relevant Properties. If: (a) a relevant Borrower fails to pay any such amount (and there are insufficient funds available in the Borrower Account to pay it) and (b) the relevant Loan Agreement entitles the relevant lender to pay or discharge the obligation to the third party and (c) the relevant Loan Agreement requires the Borrower to reimburse the lender for any payments so made and (d) the Issuer Servicer or Issuer Special Servicer is satisfied that such amounts will, in addition to all other amounts due, be recoverable from the relevant Borrower and (e) the Issuer Servicer or, as the case may be, the Issuer Special Servicer, is otherwise satisfied that it would be in accordance with the Servicing Standard to do so, then the Issuer Servicer or Issuer Special Servicer may make the relevant payment (any such payment being a "**Property Protection Advance**"). The Issuer Servicer or the Issuer Special Servicer may make a Property Protection Advance by requesting the Cash Manager to make a drawing under the Liquidity Facility Agreement, being a Property Protection Drawing. Alternatively, if no funds are available to be drawn under the Liquidity Facility Agreement for that purpose and if the Issuer Servicer or Issuer Special Servicer decides in its sole discretion to do so, it may make a Property Protection Advance from its own funds. If the Issuer Servicer or the Issuer Special Servicer makes a Property Protection Advance from its own funds, it will be repaid (subject to the priority of payments) together with interest thereon at EURIBOR plus the Liquidity Margin (the "**Reimbursement Rate**") on the Distribution Date immediately following the date on which such Property Protection Advance was made.

Purchase right of Issuer Servicer

If, at any time, the Principal Amount Outstanding of all of the Loans, the ATU Note and the Swiss Note is reduced to an amount equal to less than 10 per cent. of their Principal Amount Outstanding as at the Closing Date then, unless the Issuer otherwise elects to redeem the Notes in full pursuant to Condition 6(d) at page 275, the Issuer Servicer has the option to acquire the Loans, the Swiss Note and the ATU Note from the Issuer for the amount necessary for the Issuer to cause a redemption of the Notes in accordance with Condition 6(d) at page 275. Any purchase

by the Issuer Servicer of the Loans, the Swiss Note and the ATU Note in connection with such a redemption of the Notes by the Issuer will result in redemption in full, of the Notes.

Quarterly Reporting

The Issuer Servicer has agreed to deliver to the Cash Manager and the Issuer Special Servicer on each Determination Date, in respect of the German Loans (including the ATU Loan), for the period from and including a German Loan Interest Payment Date to and excluding the next following German Loan Interest Payment Date (each, a "**German Loan Interest Period**") and, in respect of the Dutch Loan, the period from and including a Dutch Loan Interest Payment Date to but excluding the next following Dutch Loan Interest Payment Date (each, a "**Dutch Loan Interest Period**") and in respect of the Swiss Loan, the period from and including a Swiss Loan Interest Payment Date to but excluding the next following Swiss Loan Interest Payment Date (each, a "**Swiss Loan Interest Period**"), a report in respect of the Dutch Loan, the German Loans and the Swiss Loan setting forth, among other things, quarterly payments on the Loans as well as the tracking of both scheduled and unscheduled payments on the Loans. The Issuer Servicer has also agreed to provide, during each Dutch Loan Interest Period, each German Loan Interest Period and each Swiss Loan Interest Period, a report (a "**Servicer Quarterly Report**") (based, where necessary, on information provided to the Issuer Servicer by the relevant Special Servicer, Swiss Issuer Servicer, Swiss Issuer Special Servicer, ATU Issuer Servicer or ATU Issuer Special Servicer, as applicable), with the following information regarding the Dutch Loan and the Dutch Properties, the German Loans and the German Properties and the Swiss Loan and the Swiss Properties in relation to the immediately preceding Dutch Loan Interest Period, German Loan Interest Period or Swiss Loan Interest Period, as applicable:

(a) a report setting forth the information provided by the obligors pursuant to the information covenants contained in the relevant Loan Agreements;

(b) a report setting forth, among other things, general information in relation to the relevant Loans including cut-off balance, original mortgage rate, maturity date and general payment information, as well as financial data; and

(c) a report setting forth, among other things, information regarding the relevant Properties.

Other Reporting

The Issuer Servicer has agreed to deliver to the Issuer, the Cash Manager, the Issuer Security Trustee and the Issuer Special Servicer the following reports:

(a) on the Dutch Loan Interest Payment Date, the German Loan Interest Payment Date or as applicable, the Swiss Loan Interest Payment Date immediately following a modification of a Dutch Loan, German Loan (including the ATU Loan) or a Swiss Loan, as the case may be, a report setting forth, among other things, the original and revised terms, as applicable, of (i) that Dutch Loan, German Loan or Swiss Loan, as applicable, as of such Dutch Loan Interest Payment Date or German Loan Interest Payment Date or as applicable, Swiss Loan Interest Payment Date and (ii) that Dutch Loan, German Loan or Swiss Loan, as applicable, as of the date of the initial advance under the relevant Loan Agreement; and

(b) on the Dutch Loan Interest Payment Date, the German Loan Interest Payment Date or as applicable, the Swiss Loan Interest Payment Date following a liquidation of a Dutch Loan, German Loan (including the ATU Loan) or Swiss Loan, as applicable, a report setting forth, among other things, the amount of Liquidation Proceeds, ATU Liquidation Proceeds and Swiss Liquidation Proceeds and liquidation expenses in connection with the liquidation of the relevant Loan.

The Issuer Servicer's ability to provide the reports referred to above may, in the case of the Specially Serviced Loans, the ATU Loan, the Specially Serviced ATU Loan, the Swiss Loan or the Specially Serviced Swiss Loan, depend on the timely receipt of the necessary information from the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as applicable.

Modifications, Waivers, Amendments and Consents

The Issuer Servicer or, if the Dutch Loan or relevant German Loan is a Specially Serviced Loan, the Issuer Special Servicer will be responsible for responding to requests for consent to

waivers or modifications relating to the relevant Loan Agreements or granting any consent requested by the Borrower or any other obligor under the relevant Loan Agreements. However, neither the Issuer Servicer nor the Issuer Special Servicer may do so without the consent of the relevant Subordinated Lender (where applicable) if the effect of the consent, modification or waiver would be to change the margin, the maturity date or principal balance of the relevant Loan, as the case may be. The views of the relevant Subordinated Lender in relation to any amendment, waiver or approval in respect of which its consent must be obtained may differ from those of the Issuer (or of the Issuer Servicer or the Issuer Special Servicer on behalf of the Issuer) and may prevent the Issuer Servicer or the Issuer Special Servicer from taking, on behalf of the Issuer, action which it would otherwise consider appropriate to take in accordance with the Issuer Servicing Agreement. Notwithstanding any of the above, in no circumstances shall the Issuer Servicer or the Issuer Special Servicer follow any direction of any Subordinated Lender if such action would contradict the Servicing Standard and none of the above rights of the Subordinated Lenders will prevent the Issuer Special Servicer from completing any enforcement action, realising upon the security for the relevant Loan in connection with any action otherwise taken in accordance with the Issuer Servicing Agreement.

For further information on certain other rights of the Operating Adviser in relation to waivers, modifications amendments and consents, see ''Operating Adviser'' above at page 207.

Issuer Servicing Fee, Issuer Special Servicing Fee, Liquidation Fee and Workout Fee

On each Distribution Date, the Issuer Servicer will be entitled to be paid a fee (the ''**Issuer Servicing Fee**'') equal to 0.10 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance of the Dutch Loan and the relevant German Loans (or if such Loan is a Senior Loan, that Senior Loan and its related Subordinated Loan) at the beginning of the Dutch Loan Interest Period or the German Loan Interest Period (as applicable) ending prior to such Distribution Date. Following any termination of the Issuer Servicer's appointment as Issuer Servicer, the Issuer Servicing Fee will be paid to any substitute servicer appointed; provided that the Issuer Servicing Fee may be payable to any substitute servicer at a higher rate agreed in writing by the Note Trustee (but which does not exceed the rate then commonly charged by providers of loan servicing services in relation to commercial properties).

On each Distribution Date, the Issuer Special Servicer will be entitled to be paid:

(a) a fee (an ''**Issuer Special Servicing Fee**'') equal to 0.25 per cent. per annum (plus VAT, if applicable) of the outstanding principal amount of the Dutch Loan and each relevant German Loan (or if such Loan is a Senior Loan, that Senior Loan and its related Subordinated Loan for each day that Loan is designated as a Specially Serviced Loan). The Issuer Special Servicing Fee will be paid in addition to the Issuer Servicing Fee. The Issuer Special Servicing Fee will accrue on a daily basis over such period and will be payable on each Distribution Date commencing with the Distribution Date following the date on which such period begins and ending on the Distribution Date following the end of such period;

(b) a Liquidation Fee (the ''**Liquidation Fee**'') equal to 1 per cent. (plus VAT, if applicable) of the proceeds of sale, net of costs and expenses of sale, if any, arising from the sale of the Dutch Loan or a relevant German Loan (or if such Loan is a Senior Loan, that Senior Loan and its related Subordinated Loan) or any part of a Dutch Property or relevant German Property following the enforcement of the security (or deed in lieu thereof) in respect of the relevant Loan (such proceeds, ''**Liquidation Proceeds**'') which shall be payable in accordance with the terms of the Issuer Servicing Agreement. To the extent that any Liquidation Fee is payable by the Issuer Servicer, it will be payable in priority to the Notes on the Distribution Date following the receipt of Liquidation Proceeds. Although the Liquidation Fee is intended to provide the Issuer Special Servicer with an incentive to better perform its duties, the payment of any Liquidation Fee by the Issuer may, under certain circumstances, reduce amounts payable to the Noteholders; and

(c) a workout fee (the ''**Workout Fee**'') payable to the Issuer Special Servicer, if the Dutch Loan or a relevant German Loan which was a Specially Serviced Loan subsequently becomes a Corrected Loan. The Workout Fee will be an amount equal to 1 per cent. (plus VAT, if applicable) of each collection of interest and principal received on the Dutch Loan or each relevant German Loan or, if it is a Senior Loan, that Senior Loan

and its related Subordinated Loan for so long as it remains a Corrected Loan. However, no Work-out Fee will be payable if the Issuer Special Servicer Transfer Event which gave rise to such Loan becoming Specially Serviced Loan, ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other Special Servicer Transfer Event occurred while such Loan remained a Specially Serviced Loan.

The Issuer Servicing Fee and the Issuer Special Servicing Fee will cease to be payable in relation to the Dutch Loan or a relevant German Loan if any of the following events (each, a "**Liquidation Event**") occurs in relation to that Loan:

(a) the Loan or, if such Loan comprises a Senior Loan, that Senior Loan and its related Subordinated Loan is repaid in full;

(b) a Final Recovery Determination is made with respect to that Loan or, if such Loan comprises a Senior Loan, that Senior Loan and its related Subordinated Loan; or

(c) that Loan or if such Loan comprises a Senior Loan, that Senior Loan and its related Subordinated Loan are repurchased by the Originator under the Dutch Loan Sale Agreement or the Non-ATU German Loan Sale Agreement (as applicable) or purchased by a Subordinated Lender as described in "German Intercreditor Deeds" or purchased by the Issuer Servicer.

"**Final Recovery Determination**" means a determination by the Issuer Special Servicer acting in accordance with the Servicing Standard that there has been a recovery of all principal as a result of enforcement procedures undertaken in respect of a Loan and other payments or recoveries that, in the Issuer Special Servicer's judgment, will ultimately be recoverable with respect to the relevant Loan, such judgment to be exercised in accordance with the Servicing Standard.

On each Distribution Date, the Issuer Servicer and the Issuer Special Servicer will be entitled to be reimbursed (with interest thereon) in respect of out-of-pocket costs, expenses and charges properly incurred by them in the performance of their servicing obligations. Such costs and expenses are payable by the Issuer (subject to the priority of payments) on the Distribution Date following the Dutch Loan Interest Period or German Loan Interest Period, as applicable, during which they are incurred by the Issuer Servicer or the Issuer Special Servicer and without prejudice to any other rights to payment or, in the case of fees and expenses which are paid directly by the Borrower, immediately on the date which such fees and expenses are collected from the Borrower.

In respect of the Dutch Loan and, if a relevant German Loan is not a Senior Loan, the Issuer will be obliged to make all payments due to the Issuer Servicer and the Issuer Special Servicer in relation thereto. In relation to the relevant German Loans which are Senior Loans and their related Subordinated Loans, the relevant Intercreditor Deeds provide that on each German Loan Interest Payment Date the fees and expenses payable to the Issuer Servicer and the Issuer Special Servicer on the next Distribution Date in relation to a relevant Senior Loan and its related Subordinated Loan will be provided for before any payments of principal, interest or other amounts are paid to the Issuer or the relevant Subordinated Lender. However, if, after providing for such payment, the receipts from the relevant Borrower would be insufficient to fund all amounts then due and payable to the Issuer, such priority payments will first be provided for from amounts otherwise payable to the relevant Subordinated Lender. If, notwithstanding this application, the amount due to the Issuer Servicer and/or the Issuer Special Servicer is greater than the amount available, the Issuer will make good the relevant shortfall from the Available Funds (which amounts may represent the proceeds of a drawing pursuant to the Liquidity Facility Agreement). The Issuer will be entitled to be reimbursed by the relevant Subordinated Lender in respect of any such payment (together with interest at the rate payable by the Issuer on the relevant Liquidity Drawing (if such payment is made by the Issuer using the proceeds of a Liquidity Drawing) or with interest at the Reimbursement Rate (if such payment is made otherwise than by a Liquidity Drawing)) from amounts payable under the relevant Subordinated Loan on each following German Loan Interest Payment Date until the Issuer has been reimbursed in full, with interest at the appropriate rate. If, however, the payments to the relevant Subordinated Lender under the relevant Subordinated Loan are insufficient to pay amounts payable by the relevant Subordinated Lender to the Issuer Special Servicer, then the Issuer Special Servicer shall have no further recourse to the relevant Subordinated Lender in respect of any such payments due.

To the extent that any amounts are payable by the Issuer to the Issuer Servicer or the Issuer Special Servicer, such amounts will be payable in accordance with the relevant priority of payments

in priority to payments of principal and interest on the Notes, both before and after the service of a Note Acceleration Notice, such amounts having been paid to the Issuer in accordance with the relevant Intercreditor Deeds. This order of priority has been agreed with a view to procuring the continuing performance by the Issuer Servicer and Issuer Special Servicer of their respective duties at all times while the Notes are outstanding.

Termination of Appointment of Issuer Servicer or Issuer Special Servicer

The Issuer Security Trustee may terminate the appointment of the Issuer Servicer or the Issuer Special Servicer under the Issuer Servicing Agreement upon the occurrence of a termination event, including, among other things, a default in procuring the transfer on any Dutch Loan Interest Payment Date or German Loan Interest Payment Date of the amounts required to be transferred from the Borrower Account to the Issuer Transaction Account under the Issuer Servicing Agreement, or, in certain circumstances, a default in performance of certain covenants or obligations under the Issuer Servicing Agreement, or the occurrence of certain insolvency related events in relation to it. On the termination of the appointment of the Issuer Servicer or the Issuer Special Servicer by the Issuer Security Trustee, the Issuer Security Trustee may, subject to certain conditions, appoint a substitute servicer or substitute special servicer, as the case may be.

The appointment of the person then acting as Issuer Special Servicer in relation to the Dutch Loan or a relevant German Loan and, where relevant, its related Subordinated Loan, may also be terminated upon the relevant Operating Adviser notifying the Issuer that it requires a replacement Issuer Special Servicer to be appointed.

Each of the Issuer Servicer and the Issuer Special Servicer may terminate its appointment upon not less than three months' notice to each of the Issuer, the Dutch Security Trustee, the German Security Trustee, the Note Trustee, the Issuer Security Trustee, the Dutch Facility Agent, the German Facility Agent, the German Subordinated Lenders and the Issuer Servicer or the Issuer Special Servicer (whichever is not purporting to give notice).

No termination of the appointment of the Issuer Servicer or the Issuer Special Servicer, as applicable, will be effective until a qualified substitute servicer or substitute special servicer, as the case may be, shall have been appointed and agreed to be bound by the relevant Transaction Documents, such appointment to be effective not later than the date of termination, and provided further that the Rating Agencies have confirmed that the then applicable ratings of the Notes will not be downgraded, withdrawn or qualified as a result thereof unless otherwise agreed by an Extraordinary Resolution of each class of the Noteholders.

General

Neither the Issuer Servicer nor the Issuer Special Servicer will be liable for any obligation of the Borrower or the other obligors under the Dutch Loan Agreement, the German Loan Agreements, the Dutch Related Security or the German Related Security, have any liability for the obligations of the Issuer under the Notes or of the Issuer under the Transaction Documents or have any liability for the failure by the Issuer to make any payment due by it under the Notes or any of the Transaction Documents unless such failure by the Issuer results from a failure by the Issuer Servicer or the Issuer Special Servicer, as the case may be, to perform its obligations under the Issuer Servicing Agreement.

GERMAN INTERCREDITOR DEEDS (OTHER THAN THE ATU INTERCREDITOR DEED)

The description below applies only to German Loans (other than the ATU Loan) which are German Senior Loans and their related German Subordinated Loans. For information about the Intercreditor Deed relating to the ATU Loan, see "The ATU Intercreditor Deed" at page 229. In this section, the German Loans (other than the ATU Loan) are referred to as the relevant German Loans and the German Subordinated Loans (other than the ATU Subordinated Loans) are referred to as the relevant German Subordinated Loans or the related German Subordinated Loans.

Cure, Purchase and Transfer Rights of the Subordinated Lender

Upon becoming aware that, on any day on which any amount is paid by or on behalf of a German Borrower under a relevant German Loan to the German Facility Agent (each, a "**German Loan Payment Date**"), there are unlikely to be sufficient funds standing to the credit of a Borrower's relevant accounts to discharge that Borrower's obligations to make all payments of principal and interest (other than default interest) then due to the Issuer, the Issuer Servicer will notify the relevant German Subordinated Lender or, if one has been appointed by the relevant German Subordinated Lender, the Operating Adviser. If, on a relevant German Loan Payment Date, a Borrower makes a payment which is insufficient to make all payments of principal and interest (other than default interest) then due to the Issuer (after paying or providing for all amounts which are, in accordance with the relevant Pre-Material Default Intercreditor Priority of Payments, to be paid or provided for in priority thereto) (i.e. there is a "**German Senior Loan Payment Deficiency**"), then the Issuer Servicer will notify the German Subordinated Lender by no later than 10 a.m. on the Business Day following the relevant German Loan Payment Date. Within five business days after receiving such notification (such five business day period being the "**German Cure Period**"), the relevant German Subordinated Lender will be entitled to pay into the relevant German Distribution Account an amount equal to the German Senior Loan Payment Deficiency (a "**German Cure Payment**"). If the relevant German Subordinated Lender makes such a German Cure Payment, the amount of the German Cure Payment will, for the purposes of the Transaction Documents and the relevant German Intercreditor Deeds, be treated as having been received from the Borrower. Among other things, this means that if the relevant German Subordinated Lender makes a German Cure Payment which ensures that the Issuer receives no less principal and interest (other than default interest) than it would have received, had the relevant Borrower made all payments when they fell due, the relevant German Senior Loan and its related German Subordinated Loan will not become a Specially Serviced Loan by virtue of the Borrower's default (solely with respect to the default for which such German Cure Payment was made) and distributions will be made in the relevant German Senior Loan and German Subordinated Loan in accordance with the Pre-Material Default Intercreditor Priority of Payments. However:

(a) the rights of the relevant German Subordinated Lender arising as a result of the making of a German Cure Payment will not result in the relevant German Subordinated Lender becoming subrogated to the rights of the Issuer;

(b) the making of German Cure Payments will not affect the relevant Borrowers' obligations under or in respect of the relevant German Senior Loans or the related German Subordinated Loans (including, without limitation, the Borrower's obligation to pay default interest or late payment charges) and will not limit the right of the Issuer Servicer or the Issuer Special Servicer to send default notices to and seek payment from the Borrowers nor will such payments limit the right of the Issuer Servicer or the Issuer Special Servicer as necessary to preserve the rights of the Issuer to direct the German Facility Agent or the German Security Trustee to act in accordance with provisions of the relevant German Loan Agreements (although none of them will be entitled to accelerate the relevant German Loan).

If, prior to the relevant German Subordinated Lender making a German Cure Payment, the Issuer has made a Liquidity Drawing in relation to the relevant German Senior Loans to which such Cure Payment relates, the relevant German Subordinated Lender shall, subject to the terms of the relevant Intercreditor Deed, also pay to the Issuer an amount equal to the interest that is, or will be, payable by the Issuer on such Liquidity Drawing.

The relevant German Subordinated Lender may not make a German Cure Payment or a German Cure Deposit in relation to a relevant German Senior Loan more than twice in any one

12 month period and no more than 4 times during the term of the German Senior Loan. The relevant German Subordinated Lender will not be entitled to be paid any interest on German Cure Payments.

In addition, within five business days of being notified thereof in writing by the Issuer Servicer, the relevant German Subordinated Lender will also have the right to make any deposits (each, a "**German Cure Deposit**") necessary to remedy breaches of any financial covenants by a German Borrower (other than the ATU Borrower). All such amounts, in respect of the relevant German Loan, shall be paid into the relevant German Distribution Account and credited by the German Facility Agent to a ledger (each, a "**German Cure Deposit Ledger**") and shall be treated by the German Facility Agent, for the purposes of the relevant German Loan Agreement, as if such amounts had been paid into the relevant German Borrower's deposit account. The relevant German Subordinated Lender will also have the right to receive written notice (simultaneously with notice to the Borrowers) of and to cure and any other (non- monetary and non-insolvency) event of default within the same time period for cure provided to the relevant Borrower under the applicable loan documentation, provided that (a) such event of default is capable of cure by the relevant German Subordinated Lender, but not within the Borrower's cure period; and (b) the relevant German Subordinated Lender is proceeding diligently and continuously to effect a cure of default; and (c) the relevant German Subordinated Lender has cured all monetary defaults and (d) the Issuer Servicer or, as applicable, the Issuer Special Servicer, acting in accordance with the Servicing Standard, considers that the extended cure period will not have a material adverse effect on value, use or operation of the Property or on the recoverability of sums due under the relevant German Loan, then the relevant German Subordinated Lender will have such time as the Issuer Servicer or, as applicable, the Issuer Special Servicer determines is reasonably necessary, with diligence, to complete the cure and the Issuer Servicer or, as applicable, the Issuer Special Servicer shall not take any action against the relevant Borrower unless it is directed to do so by the relevant German Subordinated Lender.

Save as specifically provided under the "Pre-Material Default Intercreditor Priority of Payments" and "Post-Material Default Intercreditor Priority of Payments", reimbursement of German Cure Payments made by a Relevant German Subordinated Lender shall be subordinated to all rights of, among others, the Issuer with respect to the relevant German Senior Loan, the Issuer Servicer and the Issuer Special Servicer. Any funds deposited in a German Cure Ledger Account to cure a breach of financial covenants shall be released to the relevant German Subordinated Lender upon such breach ceasing to exist (provided that such release would not cause a further breach of a financial covenant). If the relevant German Loan is accelerated while amounts are standing to the credit of the applicable German Cure Deposit Account, the German Facility Agent shall apply such amount in accordance with the Post-Material Default Intercreditor Priority of Payments.

While a relevant German Senior Loan is a Specially Serviced Loan, but prior to a Final Recovery Determination having been made in respect thereof, the relevant German Subordinated Lender may elect to acquire that German Senior Loan at par plus accrued interest plus all out-of-pocket costs and expenses incurred by the Issuer in connection with such purchase (including all enforcement costs that may have been incurred).

Subject to any restrictions in the relevant German Loan Agreement and the relevant German Intercreditor Deeds, the relevant German Subordinated Lender may freely transfer to any other person its rights in all, or any of, the relevant German Subordinated Loans and may pledge its interest in some or all of the relevant German Subordinated Loans in connection with any financing.

Priorities of payments between the Issuer and the Relevant Subordinated Lender

On each German Loan Interest Payment Date under a relevant German Loan Agreement applicable to a relevant German Senior Loan and its related German Subordinated Loan, the Issuer Servicer will cause the transfer to one or more accounts in the name of the German Security Trustee (each a "**German Distribution Account**") all amounts transferred from the relevant Borrower's Account to meet the Borrower's payment obligations under the German Loan Agreements. There will be one German Distribution Account established in respect of each relevant German Loan that is comprised of a German Senior Loan and a German Subordinated Loan. The Issuer Servicer will, for each relevant German Senior Loan and its related German Subordinated Loan, maintain ledgers within the German Distribution Account in which it will record payments

received from Borrowers under that relevant German Senior Loan and its related German Subordinated Loan, all German Cure Payments, German Cure Deposits and/or payments to the German Grace Period Ledger made by the relevant German Subordinated Lender in respect thereof and all payments and provisions made in accordance with the priorities of payments set forth in the following paragraphs.

On each German Loan Interest Payment Date on which a Material Event of Default does not exist (including, for the avoidance of doubt, following any cure of a Material Event of Default), all amounts standing to the credit of each German Distribution Account (other than amounts credited to the Grace Period Ledger and German Cure Deposit Ledger) which were received in relation to the relevant German Loans during the German Loan Interest Period ending on that German Loan Interest Payment Date will be distributed by the Issuer Servicer in the following order of priority ("**Pre-Material Default Intercreditor Priority of Payments**"):

(a) first, to pay *pari passu* and *pro rata* any unpaid fees, costs and expenses payable by the relevant German Senior Lender and relevant German Subordinated Lender, as the lenders under the applicable German Loan Agreement, to the administrative parties thereunder;

(b) second, to pay or make provision *pro rata* and *pari passu* for, the Issuer Servicing Fee, the Issuer Special Servicing Fee, Liquidation Fee, Workout Fee and any other costs and expenses payable to the Issuer Servicer or Issuer Special Servicer under the Issuer Servicing Agreement in connection with the servicing of the applicable German Loan;

(c) third, to pay *pari passu* and *pro rata*;

  (i) interest due but unpaid (excluding default interest) to the relevant German Senior Lender in respect of the applicable German Senior Loan at the relevant senior rate; and

  (ii) interest due but unpaid (excluding default interest) to the relevant German Subordinated Lender in respect of the applicable German Subordinated Loan at the relevant subordinate rate,

(d) fourth, to repay *pari passu* and *pro rata*:

  (i) principal amounts outstanding in respect of the relevant German Senior Loan to the relevant German Senior Lender (as adjusted for any break losses or gains);

  (ii) principal amounts outstanding in respect of the relevant German Subordinated Loan to the German Senior Lender (as adjusted for any break losses or gains);

  up to an amount which is no greater than the German Principal Distribution Amount (as defined in the relevant Intercreditor Deed);

(e) fifth, to repay to the relevant German Subordinated Lender any outstanding German Cure Payments to the extent that the relevant German Senior Lender has recovered such amounts from the obligors together with interest in an amount equal to any Net Default Interest (as defined in the relevant Intercreditor Deed) actually recovered from the relevant German Borrower in relation to the overdue amounts in respect of which such German Cure Payment was made;

(f) sixth, to pay to the relevant German Senior Lender and the relevant German Subordinated Lender *pari passu* and *pro rata* any other amounts (other than prepayment fees) due to them under the applicable relevant German Senior Loan and the applicable German Subordinated Loan including, for the avoidance of doubt, any default interest (to the extent that any default interest remains after the payment of Net Default Interest to the relevant German Subordinated Lender under (e) above);

(g) seventh; to pay to the relevant German Senior Lender an amount equal to prepayment fees paid under the relevant German Loan Agreements,

provided always if, after making the payments which are payable in priority to amounts due to the relevant German Senior Lender, the German Income standing to the credit of the German Distribution Account on any German Loan Interest Payment Date is insufficient to fund all amounts then due and payable to the relevant German Senior Lender, such priority payments will first be paid from amounts otherwise payable to the relevant German Subordinated Lender.

For the avoidance of doubt, the fees, costs and expenses referred to in items (a) and (b) above shall only extend to those which are payable by the Issuer and the relevant German Subordinated Lenders under the relevant German Loan Agreement and the Issuer Servicing Agreement and shall not (save to the extent provided for above) include any other costs and expenses incurred by the Issuer or the relevant German Subordinated Lender in connection with the transfer, financing or securitisation of its interest in the relevant German Senior Loans or the relevant German Subordinated Loans, as the case may be. For the further avoidance of doubt, except as otherwise described in this Offering Circular, amounts standing to the German Distribution Account relating to one German Loan shall not be used to pay liabilities arising in relation to another German Loan save that amounts payable to the Issuer Servicer and the Issuer Special Servicer referred to in items (a) and (b) above may, in the event that there are insufficient amounts available in the applicable German Distribution Account, be paid from Available Funds in accordance with the applicable priority of payments.

If on any German Loan Interest Payment Date there is an insufficient amount available in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the Pre-Material Default Intercreditor Priority of Payments, then the Issuer will pay the shortfall from Available Funds (which amounts may represent the proceeds of a drawing pursuant to a Liquidity Facility Agreement).

The Issuer will be entitled to be reimbursed by the relevant German Subordinated Lender in respect of any such payment made in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the Liquidity Facility Agreement (if such payment is made using the proceeds of such a drawing) or with interest the Reimbursement Rate (if such payment is made otherwise than by a drawing under the Liquidity Facility Agreement)) from amounts payable under the relevant German Subordinated Loan on each following German Loan Interest Payment Date until the Issuer has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the relevant German Subordinated Lender.

Upon the occurrence of a Material Event of Default in respect of a relevant German Loan, for so long as the relevant German Subordinated Lender is not making a German Cure Payment, all amounts that would have been distributed to such German Subordinated Lender pursuant to the Pre-Material Default Intercreditor Priority of Payments will be held back by the German Facility Agent under a separate ledger in the relevant German Distribution Account (each, a "**German Grace Period Ledger**"). If the relevant German Subordinated Lender makes a German Cure Payment, or if the relevant German Borrower cures all defaults the amounts held in the applicable German Grace Period Ledger will be disbursed to such German Subordinated Lender. If, however, the relevant German Subordinated Lender does not make a German Cure Payment during any applicable German Cure Period and the relevant German Borrower does not cure all defaults the amounts held in the applicable German Grace Period Ledger will be disbursed pursuant to the Post-Material Default Intercreditor Priority of Payments on the next German Loan Interest Payment Date.

If, on a German Loan Interest Payment Date, a Material Event of Default exists, all amounts received in relation to the relevant German Loans during the German Loan Interest Period ending on that German Loan Interest Payment Date and standing to the credit of each German Distribution Account (including the German Cure Deposit Ledger and the German Grace Period Ledger) will be applied by the Issuer Servicer in the following order of priority (the "**Post Material Default Intercreditor Priority of Payments**"):

(a) first, to pay *pari passu* and *pro rata* any unpaid fees, costs and expenses payable by the relevant German Senior Lender and relevant German Subordinated Lender, as lenders under the applicable German Loan Agreement, to the administrative parties thereunder;

(b) second, to pay or make provision *pro rata* and *pari passu* for the Issuer Servicing Fee, the Issuer Special Servicing Fee, Liquidation Fee, Workout Fee and any other costs and expenses payable to the Issuer Servicer or Issuer Special Servicer under the Issuer Servicing Agreement in connection with the servicing of the applicable German Loan;

(c) third, to pay interest due but unpaid (excluding default interest) to the relevant German Senior Lender in respect of the applicable German Senior Loan at the relevant senior rate;

(d) fourth, to repay principal amounts outstanding in respect of the relevant German Senior Loan (as adjusted for any break losses or gains) to the relevant German Senior Lender until the applicable German Senior Loan is repaid in full; and

(e) fifth; to pay interest due but unpaid (excluding default interest) to the relevant German Subordinated Lender under the applicable German Subordinated Loan at the relevant subordinate rate;

(f) sixth; to repay to the relevant German Subordinated Lender any outstanding German Cure Payments together with interest in an amount equal to any Net Default Interest (as defined in the relevant Intercreditor Deed) actually recovered in relation to the overdue amount in respect of which the German Cure Payment was made;

(g) seventh; to pay principal amounts outstanding in respect of the relevant German Subordinated Loan (as adjusted for any break losses or gains) to the relevant German Subordinated Lender until the German Subordinated Loan is repaid in full;

(h) eighth, to pay to the relevant German Senior Lender an amount equal to any prepayment fees paid under the applicable German Loan Agreement;

(i) ninth; to the relevant German Senior Lender and the relevant German Subordinated Lender *pari passu* and *pro rata*, any default interest on overdue amounts (to the extent that any default interest remains after the payment of Net Default Interest to the relevant German Subordinated Lender under item (f) above and any other amounts payable to the relevant German Senior Lender and the relevant German Subordinated Lender,

provided always if, after making the payments which are payable in priority to amounts due to the relevant German Senior Lender the German Income standing to the credit of the relevant German Distribution Account on any German Loan Interest Payment Date is insufficient to fund all amounts then due and payable to the relevant German Senior Lender, such priority payments (other than amounts contemplated in (b)(i) above) will first be paid from amounts otherwise payable to the relevant German Subordinated Lender.

If on any German Loan Interest Payment Date there is an insufficient amount available in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the Post-Material Default Intercreditor Priority of Payments, then the Issuer will pay the shortfall from Available Funds which are otherwise available to the Issuer (which amounts may represent the proceeds of a drawing pursuant to a Liquidity Facility Agreement).

The Issuer will be entitled to be reimbursed by the relevant German Subordinated Lender in respect of any such payment made in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the Liquidity Facility Agreement (if such payment is made using the proceeds of such a drawing) or with interest at the Reimbursement Rate) (if such payment is made otherwise than by a drawing under the Liquidity Facility Agreement)) from amounts payable under the relevant German Subordinated Loan on each following German Loan Interest Payment Date until the Issuer has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the relevant German Subordinated Lender.

"**Material Event of Default**" means, in relation to a relevant German Loan, either or both of the following:

(a) a Payment Event of Default; and

(b) the relevant Borrower stopping payment or threatening to stop payment of its debts or being or becoming unable to pay its debts as they fall due or otherwise becoming insolvent, insolvency proceedings being commenced or threatened against the Borrower or any attachment, sequestration, distress, diligence or execution being effected against any assets of the Borrower.

"**German Principal Distribution Amount**" means, in relation to any German Loan Interest Period, all principal payments made in respect of the relevant German Loan (other than any principal received under the German Loans which is allocated towards the repayment of an amount in respect of which a German Cure Payment was made), including all amortisation payments, balloon payments, prepayments, unscheduled payments of principal and German Cure Payments made by the relevant German Subordinated Lender which are allocated towards principal and

which are deposited into the relevant German Distribution Account during that German Loan Interest Period.

"**Net Default Interest**" means the difference (if any) between the amount of interest which a Borrower is obliged to pay as a result of that Borrower's Loan being in default and the amount of interest which such Borrower would be required to pay, if such Loan was not in default.

"**Payment Event of Default**" means, in relation to a relevant German Loan, a failure by a Borrower to pay (subject to the expiry if any applicable grace period) any amount due under the relevant German Loan Agreement (or related finance documents) on the date on which it is due (unless the relevant German Subordinated German Lender has made a German Cure Payment which is sufficient to ensure that all amounts which are then due and payable on the relevant German Senior Loan have been, or will on that date be, paid in full or any German Cure Period has not yet expired).

"**German Income**" means, in relation to a relevant German Loan, all payments applied in or towards satisfaction of the relevant Borrower's obligations to the relevant German Lenders under the relevant German Loan Agreement together with all German Cure Payments made by the relevant German Subordinated Lender in relation to that German Loan.

The Issuer may, notwithstanding the description set out herein, enter into German Intercreditor Deeds on terms which are different to those described herein, subject to receipt of Rating Agency Confirmations from two of the Rating Agencies and provided that, in respect of Moody's, the Issuer is only required to provide at least 10 Business Days prior notice to Moody's of such entry.

SERVICING AND INTERCREDITOR ARRANGEMENTS FOR THE ATU ASSETS

Introduction

Pursuant to the ATU Issuer Servicing Agreement, the ATU Issuer appointed Deutsche Bank AG, London Branch as the ATU Issuer Servicer and Hatfield Philips International Limited as the ATU Issuer Special Servicer to act as its agents and to exercise all its rights, powers and discretions, in relation to the ATU Loan and the ATU Related Security. The term "**ATU Loan**" in this context will be construed as a reference to the whole loan, given that the whole ATU loan is owned by the ATU Issuer. The ATU Loan, in this sense, is comprised of the ATU Senior Loan, the ATU Subordinated B Loan and the ATU Subordinated C Loan each of which constitute the economic interests in the ATU Loan represented by the related ATU Note, the ATU Subordinated B Note and the ATU Subordinated C Note, respectively. The German Security Trustee has delegated to the ATU Issuer Servicer, and in certain circumstances, the ATU Issuer Special Servicer the exercise of all its rights, powers and discretions in relation to the ATU Loan and the ATU Related Security, other than those which may only be exercised by the legal owner of the ATU Related Security (which the German Security Trustee has agreed only to exercise in accordance with the instructions of the ATU Issuer Servicer or, in certain circumstances, the ATU Issuer Special Servicer). When exercising the rights, powers and discretions of the ATU Issuer and of the German Security Trustee, the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer, must act in accordance with, among other things, the terms of the Servicing Standard and the ATU Intercreditor Deed.

Servicing Standard

Each of the ATU Issuer Servicer and the ATU Issuer Special Servicer are required to perform its duties on behalf of and for the benefit of the ATU Issuer in accordance with and subject to the "**Servicing Standard**" which comprises, in relation to the ATU Loan, the following requirements: (a) all applicable laws and regulations, (b) the ATU Loan Agreement and the documents entered into in connection therewith, (c) the ATU Intercreditor Deed, (d) the ATU Issuer Servicing Agreement and (e) the higher of:

(i) the same manner and with the same skill, care and diligence it applies in servicing similar loans for other third parties; and

(ii) the standard of care, skill and diligence which it applies in servicing commercial mortgage loans in its own portfolio,

in each case giving due consideration to customary and usual standards of practice of reasonably prudent commercial mortgage servicers servicing commercial mortgage loans which are similar to the ATU Loan with a view to the timely collection of all scheduled payments of principal, interest and other amounts due in respect of the ATU Senior Loan and the ATU Subordinated Loans, as a collective whole and, if the ATU Loan comes into and continues in default, the maximisation of the recoveries on the ATU Loan for the ATU Senior Lender and the ATU Subordinated Lenders, as a collective whole. If there is a conflict between the requirements which together comprise the Servicing Standard, they will be applied in the order in which they appear above.

The ATU Issuer Servicer and the ATU Issuer Special Servicer are required to adhere to the Servicing Standard without regard to any fees or other compensation to which they are entitled, any relationship they or any of their affiliates may have with any party to the transaction entered into in connection with the Notes or with any party that has an economic interest in all or any part of the ATU Loan or with the ATU Borrower or any affiliate of the ATU Borrower or the ownership of any Note or any ATU Note by the ATU Issuer Servicer or ATU Issuer Special Servicer or any affiliate thereof. However, it is acknowledged in the ATU Issuer Servicing Agreement and ATU Intercreditor Deed that, due to the subordinated nature of the ATU Subordinated Lenders' interest, notwithstanding compliance by the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer with the Servicing Standard and the related terms set out above, one or both of the ATU Subordinated Lenders may suffer a loss or be otherwise adversely affected in circumstances where no such adverse effect, loss, or a smaller loss, is suffered by the ATU Senior Lender.

The ATU Issuer Servicer and the ATU Issuer Special Servicer may, without the consent of any other person (including without limitation the ATU Senior Lender or the Issuer Security Trustee), sub-contract or delegate their respective obligations under the ATU Issuer Servicing

Agreement. Notwithstanding any sub-contracting or delegation of the performance of any of its obligations under the ATU Issuer Servicing Agreement, the ATU Issuer Servicer or the ATU Issuer Special Servicer, as the case may be, shall not be released or discharged from any liability thereunder and shall remain responsible for the performance of its obligations under the ATU Issuer Servicing Agreement by any sub-contractor or delegate.

The ATU Loan will be serviced subject to and in accordance with, among other things, the Servicing Standard and the terms of the ATU Intercreditor Deed. The relevant ATU Subordinated Lender, or the Operating Adviser acting on its behalf, has certain rights in relation to the making of such decisions and the exercise of such discretions and the ATU Issuer Servicer and ATU Issuer Special Servicer will, subject to the terms of the ATU Intercreditor Deed and as required by the Servicing Standard, be required to take the interests of the relevant ATU Subordinated Lender into account when exercising their powers and performing their duties in relation to the ATU Loan. However, no rights of the Operating Adviser or any ATU Subordinated Lender may cause the ATU Issuer Servicer or the ATU Issuer Special Servicer to act in a manner which is inconsistent with the Servicing Standard and none of the aforementioned rights will prevent the ATU Issuer Special Servicer from completing any enforcement action, realising upon the security for the ATU Loan.

Roles of the ATU Issuer Servicer and ATU Issuer Special Servicer

The ATU Issuer Servicer will service and administer the ATU Loan until the occurrence of an ATU Issuer Special Servicer Transfer Event in relation to the ATU Loan.

The ATU Loan will become subject to a "**ATU Issuer Special Servicer Transfer Event**" in the event any of the following occurs:

(a) a payment default on the ATU Loan on its final maturity date if not extended;

(b) any payment by the ATU Borrower under the ATU Loan Agreement being more than 45 days overdue;

(c) the ATU Borrower becoming the subject of insolvency proceedings or certain other insolvency related events;

(d) the ATU Issuer Servicer or the ATU Issuer Special Servicer, as the case may be, receiving a notice of the enforcement of any other security on a related Property; and

(e) any other default occurring which is not cured within the applicable cure period or, which in the opinion of the ATU Issuer Servicer is not likely to be cured within 30 days, that would, in the opinion of the ATU Issuer Servicer, be likely to have a material adverse effect upon the value of the ATU Loan.

The ATU Issuer Special Servicer will formally assume special servicing duties in respect of the ATU Loan and the ATU Loan will become a "**Specially Serviced Loan**" on the occurrence of an ATU Issuer Special Servicer Transfer Event. Servicing of the ATU Loan which has become a Specially Serviced Loan will be retransferred to the ATU Issuer Servicer and it will become a "**Corrected Loan**" when no monetary ATU Issuer Special Servicer Transfer Event has occurred for two interest periods or, if a maturity default, has been paid and the facts giving rise to any other ATU Issuer Special Servicer Transfer Event have ceased to exist and no other matter exists which would give rise to the ATU Loan becoming a Specially Serviced Loan. Similarly, if an ATU Subordinated Lender makes an ATU Cure Payment or an ATU Cure Deposit or exercises any other cure right in respect of the ATU Loan the making of such payment or deposit or exercise of other cure right will prevent the occurrence of an ATU Issuer Special Servicer Transfer Event or will lead to the retransfer of servicing responsibility in respect of the ATU Loan to the ATU Issuer Servicer.

Notwithstanding the appointment of the ATU Issuer Special Servicer, the ATU Issuer Servicer will be required to continue to collect information and prepare all reports required to be collected or prepared by it under the ATU Issuer Servicing Agreement (subject to receipt by it of the required information from the ATU Issuer Special Servicer) and to perform certain other day-to-day administrative functions. Neither the ATU Issuer Servicer nor the ATU Issuer Special Servicer will have responsibility for the performance by the other of its obligations and duties under the ATU Issuer Servicing Agreement.

Operating Adviser

The Controlling Party in relation to the ATU Loan may appoint a representative, being the Operating Adviser, to represent its interests when the ATU Issuer Servicer or the ATU Issuer Special Servicer are making decisions regarding the ATU Loan. In respect of the ATU Loan, the Controlling Party will be:

(a) the ATU Subordinated C Lender, for so long as a Control Valuation Event has not occurred in respect of the ATU Subordinated C Loan;

(b) the ATU Subordinated B Lender, for so long as a Control Valuation Event has occurred in respect of the ATU Subordinated C Loan but has not occurred in respect of the ATU Subordinated B Loan; and

(c) if a Control Valuation Event has occurred in respect of both ATU Subordinated Loans, the Issuer, as holder of the ATU Note (provided that any rights of the Issuer in this regard will be exerciseable at the direction of the Controlling Class).

Any Operating Adviser appointed by the Controlling Party in relation to the ATU Loan will be entitled to require the ATU Issuer to replace the person then acting as the ATU Issuer Special Servicer, with a person nominated by the Operating Adviser (subject to, among other things, the Rating Agencies confirming that the appointment of the nominee will not result in the then current rating assigned to any class or classes of Notes.

The ATU Issuer Servicer or, if the ATU Loan is a Specially Serviced Loan, the ATU Issuer Special Servicer may agree to any request by the ATU Borrower or any other relevant obligor to provide a consent if the provisions of the ATU Loan Agreement require such consent to be granted, subject to certain conditions being satisfied, provided that the ATU Issuer Servicer or the ATU Issuer Special Servicer, as applicable, is acting in accordance with the Servicing Standard and the Operating Advisor is satisfied that the relevant conditions have been met and provided further that, if the Operating Advisor and the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer do not agree that the relevant conditions have been met, the views of the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer shall prevail over those of the Operating Advisor.

The ATU Issuer Servicer or, if at the relevant time the ATU Loan is a Specially Serviced Loan, the ATU Issuer Special Servicer must also give prior notice to the Operating Adviser of its intention to take certain decisions in relation to the ATU Loan, including to:

(a) make an amendment to the ATU Loan Agreement which would result in the extension or shortening of the final maturity date;

(b) modify the interest rate on all or any part thereof;

(c) modify the amount or timing of any payment of interest or principal;

(d) forgive any interest or principal;

(e) make any further advance;

(f) agree to the release of any ATU Property from the security created by the ATU Security Documents and/or to the substitution of any ATU Property that secures the ATU Loan with any other ATU Property (other than in circumstances which are contemplated by the ATU Loan Agreement);

(g) release the ATU Borrower (or any other person (each an "**ATU Obligor**") obligated to provide security or make payment under the ATU Loan Agreement) from its obligations;

(h) agree to the further encumbrance of any assets which secure the ATU Loan;

(i) waive or reduce any prepayment fee, late payment charge or default interest;

(j) confirm to the ATU Borrower the amount of breakage costs or prepayment fees payable on a redemption (in whole or in part);

(k) cross-default the ATU Loan to any other indebtedness of the ATU Borrower;

(l) approve any material capital expenditure;

(m) agree to the modification in any material respect of any headlease by which any ATU Obligor holds an interest in an ATU Property;

(n) agree to change any reporting requirements under the ATU Loan Agreement;

(o) consent to the creation of any mezzanine debt of any direct or indirect owner of the ATU Borrower that would be paid from distributions of net cash flows from any ATU Property;

(p) accept any insurance company or underwriter pursuant to the ATU Loan Agreement;

(q) consent to the grant of any new occupational lease or the modification or termination of any existing occupational lease;

(r) commence formal enforcement proceedings in respect of any ATU Related Security for the repayment of the ATU Loan, including the appointment of a receiver or administrator or similar or analogous proceedings;

(s) take any action to remedy an environmental problem at any relevant ATU Property;

(t) waive any ATU Loan event of default;

(u) approve a restructuring plan in insolvency of the ATU Borrower;

(v) defer interest on all or any part of the ATU Loan for more than 10 Business Days;

(w) modify any provision of the ATU Loan Agreement relating to the rights of an ATU Lender to assign its interest therein; or

(x) modify any provision of the ATU Loan Agreement or the documents evidencing the ATU Related Security (together, the "**ATU Loan Documents**") relating to any of the following:

  (i) reserve requirements;

  (ii) rent collection;

  (iii) cash management;

  (iv) financial covenants;

  (v) hedging requirements;

  (vi) insurance requirements;

  (vii) the basis on which all or any part of the security for the ATU Loan may be released or substituted;

  (viii) the basis on which all or any of the ATU Obligors may be released from their obligations under the ATU Loan Documents; and

  (ix) the basis on which further encumbrances of any relevant ATU Property may be created.

Following such notification, the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer will not take the relevant action until the earliest of (a) in the case of items (a) to (e) (inclusive) above, five Business Days and, in the case of items (f) to (x) (inclusive) above, ten Business Days, after the Operating Adviser has been notified of the relevant matter and of the ATU Issuer Servicer or the ATU Issuer Special Servicer's proposals in relation thereto and (b) the date on which the Operating Adviser confirms that the ATU Issuer Servicer or ATU Issuer Special Servicer may proceed in accordance with those proposals. If, prior to five (or as the case may be, ten) Business Days after the notification referred to above, the Operating Adviser notifies the ATU Issuer Servicer or the ATU Issuer Special Servicer that it disapproves of the proposed course of action it shall also suggest to the ATU Issuer Servicer or ATU Issuer Special Servicer, as applicable, alternative courses of action. Within five (or as the case may be, ten) Business Days thereafter, the ATU Issuer Servicer or the ATU Issuer Special Servicer shall submit to the Operating Adviser a revised proposal which shall, to the extent that the same are not inconsistent with the Servicing Standard, incorporate the alternatives suggested by the Operating Adviser.

The ATU Issuer Servicer and the ATU Issuer Special Servicer shall continue to revise their proposals in the manner described in the preceding paragraph until the earliest of:

(a) the delivery by the Operating Adviser of an approval in writing of such revised proposal;

(b) failure of the Operating Adviser to disapprove of such revised proposal in writing by the fifth (or, as the case may be, tenth) Business Day after its delivery to the Operating Adviser; and

(c) the passage of 30 days from the date of preparation of the first version of the proposal submitted by the ATU Issuer Servicer or the ATU Issuer Special Servicer.

Notwithstanding any of the foregoing requirements, no right of an Operating Adviser to be consulted in connection with the ATU Loan shall permit the ATU Issuer Servicer or the ATU Issuer Special Servicer to take any action or to refrain from taking any action which, in the good faith and reasonable judgement of the ATU Issuer Servicer or ATU Issuer Special Servicer, as applicable, would cause the ATU Issuer Servicer or ATU Issuer Special Servicer to violate the Servicing Standard. Nor will the ATU Issuer Servicer or the ATU Issuer Special Servicer refrain from taking any action pending receipt of any proposals, following consultation with the Operating Adviser, if the ATU Issuer Servicer or ATU Issuer Special Servicer, acting in good faith and exercising reasonable judgement, determines that immediate action is necessary to comply with the Servicing Standard. The taking of any action prior to the receipt of the Operating Adviser's approval thereof or in a manner which is contrary to the directions of, or disapproved by, the Operating Adviser shall not constitute a breach by the ATU Issuer Servicer or the ATU Issuer Special Servicer of the ATU Issuer Servicing Agreement so long as, in the ATU Issuer Servicer's or the ATU Issuer Special Servicer's good faith and reasonable judgement, such action was required by the Servicing Standard. If, in order to comply with the requirements described in this paragraph, the ATU Issuer Servicer or the ATU Issuer Special Servicer takes action prior to receiving a response from the Operating Adviser and the Operating Adviser objects to such actions within five Business Days after being notified of such action and being provided with all reasonably requested information, the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer must (subject always to the foregoing requirements described in this paragraph) take due account of the advice and representations made by the Operating Adviser regarding any further steps that should be taken.

A "**Control Valuation Event**" will exist in relation to an ATU Subordinated Loan on any date if the difference between (a) the then outstanding principal balance of the relevant ATU Subordinated Loan, minus (b) the sum of (i) the applicable Valuation Reduction Amounts, and (ii) losses realised with respect to any liquidation of an ATU Property, is less than 25 per cent. of the then outstanding principal balance of the relevant ATU Subordinated Loan.

"**Valuation Reduction Amount**" means the excess of:

(a) the aggregate outstanding principal balance of the ATU Loan over

(b) the excess of:

  (i) 90.0 per cent. of the sum of the values set forth in the respective valuations for each ATU Property (net of any prior security interests but including all reserves or similar amount held by the ATU Issuer Security Trustee (or its agent) which may be applied toward payments on the ATU Loan (other than amounts held in the relevant Borrower Account for ground rents)) over

  (ii) the sum of:

    (1) all unpaid interest on the ATU Loan;

    (2) all unreimbursed Property Protection Advances made in relation to the ATU Loan;

    (3) any other unpaid fees, expenses and other amounts of any party that are payable prior to the ATU Senior Loan; and

    (4) all currently due and unpaid ground rents and insurance premium (net of any amounts held in the relevant Borrower Account for such purpose) and all other amounts due and unpaid with respect to the ATU Loan.

For the purposes of determining or recalculating, as applicable, the Valuation Reduction Amount above, either of the ATU Subordinated Lenders may, at its sole expense, provide a new valuation from an independent valuer. If both the ATU Subordinated B Lender and the ATU Subordinated C Lender provide valuations after the occurrence of a Control Valuation Event and there is a discrepancy between them, then the valuation provided by the ATU Subordinated C Lender shall prevail.

Annual Review Procedure

The ATU Issuer Servicer is required to undertake an annual review of the ATU Loan. The ATU Issuer Servicer may conduct more frequent reviews if it has cause for concern as to the ability of the ATU Borrower or any ATU Obligor to meet its obligations under the ATU Loan

Agreement. The ATU Issuer Special Servicer has agreed to provide any information in its possession which may be needed by the ATU Issuer Servicer to carry out any such review.

Insurance

The ATU Issuer Servicer will establish, administer and maintain procedures to monitor compliance by the ATU Borrower with the requirements of the ATU Loan Agreement relating to insurance.

Hedging Arrangements

The ATU Issuer Servicer will administer and perform certain other duties in respect of any hedging arrangements entered into by the ATU Issuer in respect of the ATU Loan.

Property Protection Advances

The ATU Loan Agreement obliges the ATU Borrower to pay certain amounts to third parties, such as insurers and persons providing services in connection with the operation of the relevant Properties. If: (a) the ATU Borrower fails to pay any such amount (and there are insufficient funds available in the relevant Borrower Account to pay it) and (b) the ATU Loan Agreement entitles the relevant lender to pay or discharge the obligation to the third party and (c) the ATU Loan Agreement requires the ATU Borrower to reimburse the lender for any payments so made and (d) the ATU Issuer Servicer or ATU Issuer Special Servicer is satisfied that such amounts will, in addition to all other amounts due, be recoverable from the ATU Borrower and (e) the ATU Issuer Servicer or, as the case may be, the ATU Issuer Special Servicer, is otherwise satisfied that it would be in accordance with the Servicing Standard to do so, then the ATU Issuer Servicer or ATU Issuer Special Servicer may make the relevant payment (any such payment being a "**Property Protection Advance**"). The ATU Issuer Servicer or the ATU Issuer Special Servicer may (unless the ATU Issuer Special Servicer directs not to) make a Property Protection Advance by requesting a drawing under the ATU Inter-company Loan Agreement, each such drawing being a Property Protection Drawing. Alternatively, if insufficient funds are available to be drawn under the relevant liquidity facility agreements for that purpose and if the ATU Issuer Servicer or ATU Issuer Special Servicer decides in its sole discretion to do so, it may make a Property Protection Advance from its own funds. If the ATU Issuer Servicer or the ATU Issuer Special Servicer makes a Property Protection Advance from its own funds, it will be repaid, by the ATU Senior Lenders together with interest thereon at EURIBOR plus 0.30 per cent. per annum margin (the "**ATU Reimbursement Rate**") on the ATU Loan Interest Payment Date immediately following the date on which such Property Protection Advance was made.

Purchase Right of the ATU Issuer Servicer

If, at any time, the principal amounts outstanding of the ATU Senior Loan is less than 10 per cent. of its aggregate principal amounts outstanding as at the ATU Closing Date, then the ATU Issuer Servicer will have the option to purchase all (but not some only) of the ATU Senior Loan, on any ATU Loan Interest Payment Date thereafter, at an amount equal to the then amount outstanding on the ATU Senior Loan (after taking into account any write-offs and Final Recovery Determinations made by the ATU Issuer Servicer or ATU Issuer Special Servicer).

Modifications, Waivers, Amendments and Consents

The ATU Issuer Servicer or, if the ATU Loan is a Specially Serviced Loan, the ATU Issuer Special Servicer will be responsible for responding to requests for consent to waivers or modifications relating to the ATU Loan Agreement, or granting any consent requested by the ATU Borrower or any other obligor under the ATU Loan Agreement. However, neither the ATU Issuer Servicer nor the ATU Issuer Special Servicer may do so without the consent of the ATU Subordinated Lenders if the effect of the consent, modification or waiver would be to change the margin, the maturity date or principal balance of the ATU Loan. The views of both ATU Subordinated Lenders in relation to any amendment, waiver or approval in respect of which their consent must be obtained may differ from those of the ATU Issuer (or of the ATU Issuer Servicer or the ATU Issuer Special Servicer on behalf of the ATU Issuer) and may prevent the ATU Issuer Servicer or the ATU Issuer Special Servicer from taking, on behalf of the ATU Issuer, action which it would otherwise consider appropriate to take in accordance with the ATU Issuer Servicing Agreement. Notwithstanding any of the above, in no circumstances shall the ATU Issuer Servicer

or the ATU Issuer Special Servicer follow any direction of any ATU Subordinated Lender if such action would contradict the Servicing Standard and none of the above rights of the ATU Subordinated Lenders will prevent the ATU Issuer Special Servicer from completing any enforcement action, realising upon the security for the ATU Loan in connection with any action otherwise taken in accordance with the ATU Issuer Servicing Agreement.

For further information on certain other rights of the Operating Adviser in relation to waivers, modifications amendments and consents, see ''Operating Adviser'' above at page 223.

ATU Issuer Servicing Fee, ATU Issuer Special Servicing Fee, ATU Liquidation Fee and ATU Workout Fee

On each ATU Loan Interest Payment Date, the ATU Issuer Servicer will be entitled to be paid a fee (the ''**ATU Issuer Servicing Fee**'') equal to 0.10 per cent. per annum (plus VAT, if applicable) of the outstanding principal balance of the ATU Senior Loan and the ATU Subordinated Loans) at the beginning of the ATU Loan Interest Period to which such ATU Loan Interest Payment Date relates. Following any termination of the ATU Issuer Servicer's appointment as ATU Issuer Servicer, the ATU Issuer Servicing Fee will be paid to any substitute servicer appointed; provided that the ATU Issuer Servicing Fee may be payable to any substitute servicer at a higher rate agreed in writing by the ATU Senior Lender (who will, for these purposes, act at the direction of the ATU Issuer Note Trustee) but which does not exceed the rate then commonly charged by providers of loan servicing services in relation to commercial properties.

On each ATU Loan Interest Payment Date, the ATU Issuer Special Servicer will be entitled to be paid:

(a) a fee (an ''**ATU Issuer Special Servicing Fee**'') equal to 0.25 per cent. per annum (plus VAT, if applicable) of the outstanding principal amount of the ATU Senior Loan and the ATU Subordinated Loans, for each day that the ATU Loan is designated as a Specially Serviced Loan. The ATU Issuer Special Servicing Fee will be paid in addition to the ATU Issuer Servicing Fee. The ATU Issuer Special Servicing Fee will accrue on a daily basis over such period and will be payable on each ATU Loan Interest Payment Date commencing with the ATU Loan Interest Payment Date following the date on which such period begins and ending on the ATU Loan Interest Payment Date following the end of such period;

(b) a liquidation fee (the ''**ATU Liquidation Fee**'') equal to 1 per cent., (plus VAT, if applicable) of the proceeds of sale, net of costs and expenses of sale, if any, arising from the sale of the ATU Senior Loan and the ATU Subordinated Loans) or any part of an ATU Property following the enforcement of the security (or deed in lieu thereof) in respect of the ATU Loan (such proceeds, ''**ATU Liquidation Proceeds**'') which shall be payable in accordance with the terms of the ATU Issuer Servicing Agreement. To the extent that any ATU Liquidation Fee is payable by the ATU Issuer, it will be payable in priority to the ATU Notes on the ATU Loan Interest Payment Date following the receipt of ATU Liquidation Proceeds. Although the ATU Liquidation Fee is intended to provide the ATU Issuer Special Servicer with an incentive to better perform its duties, the payment of any ATU Liquidation Fee by the ATU Issuer may, under certain circumstances, reduce amounts payable to the holders of the ATU Notes; and

(c) a workout fee (the ''**ATU Workout Fee**'') payable to the ATU Issuer Special Servicer, if the ATU Loan which was a Specially Serviced Loan subsequently becomes a Corrected Loan. The ATU Workout Fee will be an amount equal to 1 per cent. (plus VAT, if applicable) of each collection of interest and principal received on the ATU Senior Loan and the ATU Subordinated Loans, for so long as the ATU Loan remains a Corrected Loan. However, no ATU Work-out Fee will be payable if the ATU Issuer Special Servicer Transfer Event which gave rise to such Loan becoming a Specially Serviced Loan ceased to exist within two weeks of it becoming a Specially Serviced Loan and no other ATU Issuer Special Servicer Transfer Event occurred while the ATU Loan remained a Specially Serviced Loan.

The ATU Issuer Servicing Fee and the ATU Issuer Special Servicing Fee will cease to be payable in relation to the ATU Loan if any of the following events (each, an ''**ATU Liquidation Event**'') occurs in relation to the ATU Loan:

(a) the ATU Loan is repaid in full;

(b) an ATU Final Recovery Determination is made with respect to the ATU Loan; or

(c) the ATU Loan is purchased by the ATU Issuer Servicer as described above.

"**Final Recovery Determination**" means a determination by the ATU Issuer Special Servicer acting in accordance with the Servicing Standard that there has been a recovery of all principal as a result of enforcement procedures undertaken in respect of the ATU Loan and other payments or recoveries that, in the ATU Issuer Special Servicer's judgment, will ultimately be recoverable with respect to the ATU Loan, such judgment to be exercised in accordance with the Servicing Standard.

On each ATU Note Interest Payment Date, the ATU Issuer Servicer and the ATU Issuer Special Servicer will be entitled to be reimbursed (with interest thereon) in respect of out-of-pocket costs, expenses and charges properly incurred by them in the performance of their servicing obligations. Such costs and expenses are payable by the ATU Issuer on the ATU Note Interest Payment Date following the ATU Loan Interest Period during which they are incurred by the ATU Issuer Servicer or the ATU Issuer Special Servicer and without prejudice to any other rights to payment or, in the case of fees and expenses which are paid directly by the ATU Borrower, immediately on the date which such fees and expenses are collected from the ATU Borrower.

The ATU Intercreditor Deed provides that on each ATU Note Interest Payment Date, the fees and expenses payable to the ATU Issuer Servicer on the such ATU Note Interest Payment Date, in relation to the ATU Senior Loan and the ATU Subordinated Loans will be provided for, before any payments of principal, interest or other amounts are paid to the ATU Senior Lender or the ATU Subordinated Lenders. However, if, after providing for the payment of amounts due to the ATU Issuer Servicer or the ATU Issuer Special Servicer and any other amounts which are payable in priority to amounts due to the ATU Senior Lender, the receipts from the ATU Borrower under the ATU Loan Agreement would be insufficient to fund all amounts then due and payable to the ATU Issuer Servicer or ATU Issuer Special Servicer, such amounts, will first be paid from amounts otherwise payable to the ATU Subordinated Lenders. If, notwithstanding this application, the amount due to the ATU Issuer Servicer and/or the ATU Issuer Special Servicer is greater than the amount available to be paid to the ATU Subordinated Lenders, the ATU Issuer will make good the relevant shortfall from amounts payable to it in accordance with the ATU Intercreditor Deed or, if such amounts are insufficient for the purposes of making payment of the ATU Issuer Special Servicing Fee (and any other costs and expenses due and payable by the ATU Subordinated Lenders under the ATU Servicing Agreement), from funds which and otherwise available to the ATU Senior Lender (which amounts may represent the proceeds of a drawing pursuant to the ATU Inter-company Loan Agreement). The ATU Issuer will be entitled to be reimbursed by the ATU Subordinated Lenders in respect of any such payment (together with interest at the rate payable by the ATU Issuer on the relevant drawing under the ATU Inter-company Loan (if such payment is made by the ATU Issuer using the proceeds of a drawing under the ATU Inter-company Loan Agreement) or with interest at the ATU Reimbursement Rate (if such payment is made otherwise than by a drawing under the ATU Inter-company Loan Agreement) from amounts payable in respect of the ATU Subordinated Loans on each following ATU Loan Interest Payment Date until the ATU Issuer has been reimbursed in full, with interest at the appropriate rate. If the amount due to the ATU Issuer Servicer and/or the ATU Issuer Special Servicer is greater than the amount available to the ATU Issuer on the next following ATU Note Interest Payment Date, the Issuer will make good the relevant shortfall out of Available Funds. Such loans, if required, will be made pursuant to the ATU Inter-company Loan Agreement.

To the extent that any amounts are payable by the Issuer to the ATU Issuer Servicer or the ATU Issuer Special Servicer, such amounts will be payable in accordance with the relevant priority of payments in priority to payments of principal and interest on the ATU Note, both before and after the occurrence of an ATU Material Event of Default, such amounts having been paid in accordance with the ATU Intercreditor Deed. This order of priority has been agreed with a view to procuring the continuing performance by the ATU Issuer Servicer and ATU Issuer Special Servicer of their respective duties at all times while the ATU Loan is outstanding.

Termination of Appointment of ATU Issuer Servicer or ATU Issuer Special Servicer

The ATU Issuer may terminate the appointment of the ATU Issuer Servicer or the ATU Issuer Special Servicer under the ATU Issuer Servicing Agreement upon the occurrence of a termination event, including, among other things, a default in procuring the transfer on any ATU Loan Interest Payment Date of the amounts required to be transferred from the relevant Borrower Account to the

ATU Issuer Tranching Account under the ATU Issuer Servicing Agreement, or, in certain circumstances, a default in performance of certain covenants or obligations under the ATU Issuer Servicing Agreement, or the occurrence of certain insolvency related events in relation to it. On the termination of the appointment of the ATU Issuer Servicer or the ATU Issuer Special Servicer, the ATU Issuer may, subject to certain conditions, appoint a substitute servicer or substitute special servicer, as the case may be.

The appointment of the person then acting as ATU Issuer Special Servicer in relation to the ATU Loan may also be terminated upon the relevant Operating Adviser notifying the Issuer that it requires a replacement ATU Issuer Special Servicer to be appointed.

Each of the ATU Issuer Servicer and the ATU Issuer Special Servicer may terminate its appointment upon not less than three months' notice to, among others, each of the ATU Issuer, the ATU Facility Agent, the ATU Issuer Note Trustee, the ATU Issuer Security Trustee, and the ATU Issuer Servicer or the ATU Issuer Special Servicer (whichever is not purporting to give notice).

No termination of the appointment of the ATU Issuer Servicer or the ATU Issuer Special Servicer, as applicable, will be effective until a qualified substitute servicer or substitute special servicer, as the case may be, shall have been appointed and agreed to be bound by the relevant documents, such appointment to be effective not later than the date of termination, and provided further that the Rating Agencies have confirmed that the then applicable ratings of the Notes will not be downgraded, withdrawn or qualified as a result thereof unless otherwise agreed by an Extraordinary Resolution of each class of the Noteholders.

General

Neither the ATU Issuer Servicer nor the ATU Issuer Special Servicer will be liable for any obligation of the ATU Borrower or the other obligors under the ATU Loan Agreement or the ATU Related Security, have any liability for the obligations of the ATU Issuer under the ATU Note or of the ATU Issuer under the documents to which it is a party or have any liability for the failure by the ATU Issuer to make any payment due by it under the ATU Note or any of the documents to which it is a party unless such failure by the ATU Issuer results from a failure by the ATU Issuer Servicer or the ATU Issuer Special Servicer, as the case may be, to perform its obligations under the ATU Issuer Servicing Agreement.

ATU INTERCREDITOR DEED

Cure, Purchase and Transfer Rights of the Subordinated Lender

Upon becoming aware that, on the next ATU Loan Interest Payment Date, there are unlikely to be sufficient funds standing to the credit of the ATU Borrower's relevant accounts to discharge the ATU Borrower's obligations to make all payments of principal and interest then due to the ATU Issuer, the ATU Issuer Servicer will notify the ATU Subordinated B Lender and the ATU Subordinated C Lender. Upon the occurrence of an ATU Payment Event of Default, the ATU Issuer Servicer will notify the ATU Subordinated Lenders of such occurrence as soon as practicable but, in any event, by no later than 10am on the ATU Issuer Business Day following the relevant ATU Loan Interest Payment Date. Within 15 days after receiving such notification (such 15 day period being the "**ATU C Lender Exclusive Cure Period**" and, together with the "**ATU C Lender Exclusive Cure Period**", the "**ATU Cure Period**"), the ATU Subordinated C Lender will have the exclusive right to make an ATU Cure Payment. Within 15 days after the end of the ATU Subordinated C Lender Exclusive Cure Period, (such 15 day period being the "**ATU B Lender Exclusive Cure Period**"), the ATU Subordinated B Lender will have the exclusive right to make an ATU Cure Payment. After the end of the ATU B Lender Exclusive Cure Period, both ATU Subordinated Lenders will have concurrent rights to make an ATU Cure Payment.

"**ATU Cure Payment**" means:

(a) as regards the ATU Subordinated C Lender, either: (i) a payment to the German Facility Agent of an amount (a "**Cash Shortfall Payment**") equal to the unpaid sum due on the ATU Senior Loan and the ATU Subordinated B Loan; and/or to the extent applicable, a waiver of the deficiency to the extent that such deficiency is no greater than amounts due to the ATU Subordinated C lender; and

(b) as regards the ATU Subordinated B Lender, either: (i) a Cash Shortfall Payment to the German Facility Agent of an amount equal to the unpaid sum due on the ATU Senior Loan; and/or to the extent applicable, a waiver of the deficiency to the extent that such deficiency is no greater than amounts due to the ATU Subordinated B Lender and the ATU Subordinated C Lender.

If the relevant ATU Subordinated Lender makes an ATU Cure Payment which ensures that the ATU Issuer receives no less principal and interest (other than default interest) than it would have received, had the ATU Borrower made all payments when they fell due, the ATU Loan will not become a Specially Serviced Loan by virtue of the ATU Borrower's default and the ATU Borrower's default will not be treated as such for the purposes of accelerating the ATU Loan or commencing enforcement of the ATU Related Security and ATU Cure Payments will be made in the ATU Loan in accordance with the ATU Pre-Material Default Intercreditor Priority of Payments. However:

(a) the rights of an ATU Subordinated Lender arising as a result of the making of an ATU Cure Payment will not result in the relevant ATU Subordinated Lender becoming subrogated to the rights of the ATU Senior Lender;

(b) the making of ATU Cure Payments will not affect the ATU Borrower's obligations under or in respect of the ATU Senior Loan or the related ATU Subordinated Loans (including, without limitation, the ATU Borrower's obligation to pay default interest or late payment charges) and will not limit the right of the ATU Issuer Servicer or the ATU Issuer Special Servicer to send default notices to and seek payment from the ATU Borrower or the ATU Obligors nor will such payments limit the right of the ATU Issuer Servicer or the ATU Issuer Special Servicer as necessary to preserve the rights of the ATU Issuer to direct the German Facility Agent or the German Security Trustee to act in accordance with provisions of the ATU Loan Agreement (although none of them will be entitled to accelerate the ATU Loan).

If, prior to an ATU Subordinated Lender making an ATU Cure Payment, the Issuer has made a Liquidity Drawing in relation to the ATU Senior Loan to which such ATU Cure Payment relates, the relevant ATU Subordinated Lender shall, subject to the terms of the ATU Intercreditor Deed, also pay to the Issuer an amount equal to the interest that is, or will be, payable by the Issuer on such Liquidity Drawing save in respect of any default interest actually received from the ATU Borrower in relation to overdue amounts in respect of which such ATU Cure Payment was made.

The ATU Subordinated Lenders may not (taking into account all cures by all ATU Subordinated Lenders) make an ATU Cure Payment or an ATU Cure Deposit more than 2 consecutive times nor more than 6 times during the term of the ATU Loan. The ATU Subordinated Lenders will not be entitled to be paid any interest on ATU Cure Payments.

In addition, within 15 days of being notified thereof in writing by the ATU Issuer Servicer, both ATU Subordinated Lenders will also have the right to make any deposits (each, an "**ATU Cure Deposit**") necessary to remedy breaches of any financial covenants by the ATU Borrower. All such amounts, in respect of the ATU Loan, shall be credited to a ledger (the "**ATU Cure Deposit Ledger**") of the ATU Issuer Tranching Account and shall be treated by the German Facility Agent, for the purposes of the ATU Loan Agreement, as if such amounts had been paid into the ATU Borrower's deposit account. Both ATU Subordinated Lenders will also have the right to receive written notice (simultaneously with notice to the ATU Borrower) of and any other (non-monetary and non-insolvency) event of default within the same time period for cure provided to the ATU Borrower under the applicable loan documentation or such longer period as the ATU Issuer Servicer may agree to pursuant to the terms of the ATU Intercreditor Deed.

Save as specifically provided under the "ATU Pre-Material Default Intercreditor Priority of Payments" and "ATU Post-Material Default Intercreditor Priority of Payments", reimbursement of ATU Cure Payments made by an ATU Subordinated Lender shall be subordinated to all rights of, among others, the Issuer with respect to the ATU Senior Loan, the ATU Issuer Servicer and the ATU Issuer Special Servicer. Any funds credited to the ATU Cure Deposit Ledger to cure a breach of financial covenants shall be released to the relevant ATU Subordinated Lender upon such breach ceasing to exist (provided that such release would not cause a further breach of a financial covenant). If the ATU Loan is accelerated while amounts are standing to the credit of the ATU Cure Deposit Ledger, the German Facility Agent shall apply such amount in accordance with the ATU Post-Material Default Intercreditor Priority of Payments.

Upon activation of the ATU Subordinated Lender Purchase Right (as defined below), either the ATU Subordinated B Lender or the ATU Subordinated C Lender (as applicable) will have the option to purchase the ATU Notes that are senior to their respective ATU Notes at par (with accrued interest through the date of purchase and after reimbursing all ATU Property Protection Advances (and interest thereon). The right to purchase will be allocated among the ATU Subordinated B Lender and the ATU Subordinated C Lender as follows: (a) during the first 30 days of the occurrence of the ATU Subordinated Lender Purchase Right, the ATU Subordinated C Lender will have the sole right to acquire the ATU Note and the ATU Subordinated B Note; (b) after the first 30 days, but during the subsequent 30 days therefrom, the ATU Subordinated B Lender will have the sole right to acquire the ATU Note; and (c) from 60 days from the occurrence of the ATU Subordinated Lender Purchase Right, the ATU Subordinated B Lender and the ATU Subordinated Lender C Lender will have the right to acquire those ATU Notes that are senior to their respective ATU Note; provided, however, that, in respect of a party, this right shall terminate as soon as the other party has indicated to the Issuer Servicer that it intends to exercise such right.

The "**ATU Subordinated Lender Purchase Right**" will become active upon the occurrence of the following, but prior to a Final Recovery Determination having taken place: (a) an acceleration of the ATU Loan; or (b) the occurrence of each of: (i) at least one of the following events: (A) a payment default occurs under the ATU Loan Agreement; (B) an insolvency event of default occurs under the ATU Loan Agreement; or (C) a breach of a financial covenant under the ATU Loan Agreement; and (ii) the ATU Loan is a Specially Serviced Loan.

This right to purchase shall be conditional upon the payment in full of all out-of-pocket costs and expenses incurred by the ATU Issuer in connection with such purchase.

Subject to certain restrictions in the ATU Loan Agreement and the ATU Intercreditor Deed and related transaction documents, the ATU Subordinated Lenders may freely transfer to any other person their rights in all, or any of, their ATU Subordinated Notes and may pledge their interest in some or all of their ATU Subordinated Notes in connection with any financing.

To the extent that, at any time, there are multiple holders of any class of ATU Notes, the ATU Subordinated Lender Purchase Right described above will be exercisable by the holders of the majority (by value) ATU Notes of such class.

Priorities of payments between the Issuer and the Subordinated Lender

On each ATU Loan Interest Payment Date, the ATU Issuer Servicer will transfer to the ATU Issuer Tranching Account all amounts transferred from the ATU Borrower's Account to meet the ATU Borrower's payment obligations under the ATU Loan Agreement. The ATU Issuer Servicer will, for the ATU Loan maintain a ledger within the ATU Issuer Tranching Account in which it will record payments received from the ATU Borrower under the ATU Loan, all ATU Cure Payments made by the relevant German Subordinated Lenders in respect thereof and all payments and provisions made in accordance with the priorities of payments set forth in the following paragraphs.

On each ATU Loan Interest Payment Date on which an ATU Material Event of Default does not exist (taking into account any applicable grace period under the ATU Loan Agreement), all amounts standing to the credit of the ATU Issuer Tranching Account which were received in relation to the ATU Loan during the ATU Loan Interest Period ending on that ATU Loan Interest Payment Date will be distributed by the ATU Issuer Servicer in the following order of priority ("**ATU Pre-Material Default Intercreditor Priority of Payments**"):

(a) first, to pay *pari passu* and *pro rata* any unpaid fees, costs and expenses payable by the ATU Issuer, as the lender under the ATU Loan Agreement, to the administrative parties thereunder;

(b) second, to pay or make provision *pari passu* and *pro rata* for:

  (i) the ATU Issuer Servicing Fee, the ATU Issuer Special Servicing Fee, ATU Liquidation Fee, ATU Workout Fee and any other costs and expenses payable by the ATU Subordinated Lenders to the ATU Issuer Servicer or ATU Issuer Special Servicer under the ATU Issuer Servicing Agreement in connection with the servicing of the ATU Loan; and

  (ii) repayment to the Issuer of any outstanding drawings under the ATU Inter-company Loan Agreement;

(c) third, to pay *pari passu pro rata*;

(i) interest due but unpaid (excluding default interest) to the ATU Senior Lender, the ATU Subordinated B Lender and the ATU Subordinated C Lender, in that order; and

(ii) to the ATU Lenders, amounts due, if any, with respect to an indemnification for termination payments due under any hedging transactions (each, an "**ATU Swap**") relating to the ATU Senior Loan, the ATU Subordinated B Loan and the ATU Subordinated C Loan, in that order, (but excluding termination costs payable due to a default of or termination caused by the relevant swap provider);

(d) fourth, to apply:

(i) scheduled principal repayments, received in respect of the ATU Loan, towards repayment of: (A) first, the ATU Subordinated C Loan, until repaid in full; and (B) then, the ATU Senior Loan and the ATU Subordinated B Loan, pro rata, until paid in full; and

(ii) prepayments received in respect of the ATU Loan, towards repayment *pro rata* of the ATU Senior Loan, the ATU Subordinated B Loan and the ATU Subordinated C Loan, until repaid in full;

(e) fifth, to repay to the ATU Subordinated B Lender any outstanding ATU Cure Payments to the extent recovered from the ATU Obligors together with interest in an amount equal to the difference (if any) between the amount of interest which the ATU Borrower is obliged to pay as a result of the ATU Loan being in default and the amount of interest which the ATU Borrower would be obliged to pay if the ATU Loan were not in default (such amount being, the "**Net Default Interest**") default interest actually recovered from the ATU Borrower in relation to the overdue amounts in respect of which such ATU Cure Payment was made;

(f) sixth, to repay to the ATU Subordinated C Lender any outstanding ATU Cure Payments to the extent recovered from the ATU Obligors together with interest in an amount equal to any Net Default Interest actually recovered from the ATU Borrower in relation to the overdue amounts in respect of which such ATU Cure Payment was made;

(g) seventh, to pay to the ATU Senior Lender and the ATU Subordinated Lenders *pari passu* any other amounts (other than prepayment fees) due to them under the ATU Note and the ATU Subordinated Notes including, for the avoidance of doubt, any default interest (to the extent that any default interest remains after the payment of Net Default Interest to the ATU Subordinated Lenders under (e) and (f) above);

(h) eighth, to pay to the ATU Lenders an amount equal to their respective entitlements (if any) to prepayment fees paid under the ATU Loan Agreement; and

(i) ninth, to pay to the ATU Lenders, amounts remaining outstanding on their respective ATU Swaps on account of termination costs where the related swap provider is the defaulting party or has caused the termination,

provided always if, after making the payments which are payable in priority to or *pro rata* with amounts due to the ATU Senior Lender, the receipts from ATU Obligors in respect of the ATU Loan would be insufficient to fund all amounts then due and payable to the ATU Senior Lender, such priority payments will first be paid from amounts otherwise payable to the ATU Subordinated C Lender and then from amounts otherwise payable to the ATU Subordinated B Lender.

For the avoidance of doubt, the fees, costs and expenses referred to in items (a) and (b) above shall only extend to those which are payable by the ATU Issuer under the ATU Loan Agreement and the ATU Issuer Servicing Agreement and shall not (save to the extent provided for above) include any other costs and expenses incurred by the ATU Issuer, the ATU Senior Lender or the ATU Subordinated Lenders in connection with the transfer, financing or securitisation of any interest in the ATU Loans or the ATU Notes, as the case may be.

If on any ATU Loan Interest Payment Date there is an insufficient amount available to be paid to an ATU Subordinated Lender in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the ATU Pre-Material Default Intercreditor Priority of Payments, then the ATU Senior Lender will pay the shortfall from amounts payable to them on such ATU Loan Interest Payment Date or, if such amounts are also insufficient for the purposes of making payment

of the ATU Issuer Special Servicing Fee (and any other costs and expenses due and payable by the ATU Subordinated Lenders under the ATU Issuer Servicing Agreement), such amounts will be paid from funds which are otherwise available to the ATU Senior Lender (which amounts may represent the proceeds of a drawing pursuant to the Liquidity Facility Agreement).

The ATU Senior Lender will be entitled to be reimbursed by the relevant ATU Subordinated Lender in respect of any such payment made in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the Liquidity Facility Agreement (if such payment is made using the proceeds of such a drawing) or with interest at the ATU Reimbursement Rate (if such payment is made otherwise than by a drawing under the Liquidity Facility Agreement)) from amounts payable under the relevant ATU Subordinated Loan on each following ATU Loan Interest Payment Date until the ATU Senior Lender has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the relevant ATU Subordinated Lender.

Upon the occurrence of an ATU Material Event of Default (taking into account any applicable grace period under the ATU Loan Agreement but without taking into account whether the ATU Cure Period has expired), for so long as the ATU Subordinated Lenders are not making an ATU Cure Payment, all amounts that would have been distributed to the relevant ATU Subordinated Lender pursuant to the ATU Pre-Material Default Intercreditor Priority of Payments will be held back by the German Facility Agent and shall be credited to a Ledger (the "**ATU Grace Period Ledger**") in the ATU Issuer Tranching Account. If an ATU Subordinated Lender makes an ATU Cure Payment, or if the ATU Borrower cures all defaults, the amounts held in the ATU Grace Period Ledger will be disbursed to the relevant ATU Subordinated Lender. If, however, neither ATU Subordinated Lender makes an ATU Cure Payment during any applicable Cure Period and the ATU Borrower does not cure all defaults, the amounts held in the ATU Grace Period Ledger will be disbursed pursuant to the ATU Post-Material Default Intercreditor Priority of Payments on the next ATU Loan Interest Payment Date.

If, on an ATU Loan Interest Payment Date, an ATU Material Event of Default exists (taking into account any applicable grace period under the ATU Loan Agreement), all amounts received in relation to the ATU Loan during the German Loan Interest Period ending on that ATU Loan Interest Payment Date and standing to the credit of the ATU Issuer Tranching Account will be applied by the ATU Issuer Servicer in the following order of priority (the "**ATU Post Material Default Intercreditor Priority of Payments**"):

(a) first, to pay *pari passu* and *pro rata* any unpaid fees, costs and expenses payable by the ATU Issuer, as lender under the ATU Loan Agreement, to the administrative parties thereunder;

(b) second, to pay or make provision *pari passu* and *pro rata* for:

  (i) the ATU Issuer Servicing Fee, the ATU Issuer Special Servicing Fee, ATU Liquidation Fee, ATU Workout Fee and any other costs and expenses payable to the ATU Issuer Servicer or ATU Issuer Special Servicer under the ATU Issuer Servicing Agreement in connection with the servicing of the ATU Loan; and

  (ii) repayment to the Issuer of any outstanding drawings under the ATU Inter-company Loan Agreement;

(c) third, to pay *pari passu* and *pro rata*:

  (i) interest (excluding default interest) to the ATU Senior Lender; and

  (ii) to the ATU Senior Lender, amounts due, if any, with respect to an indemnification for termination payments due under any ATU Swap relating to the ATU Senior Loan;

(d) fourth, to repay principal amounts outstanding in respect of the ATU Senior Loan to the ATU Senior Lender until the ATU Senior Loan is repaid in full;

(e) fifth, to pay pro rata:

  (i) interest (excluding default interest) to the ATU Subordinated B Lender; and

  (ii) to the ATU Subordinated B Lender, amounts due, if any, with respect to an indemnification for termination payments due under any ATU Swap relating to the ATU Subordinated B Loan but excluding termination costs payable due to a default of or termination caused by the applicable swap provider);

(f) sixth; to repay to the ATU Subordinated B Lender any outstanding ATU Cure Payments made by the ATU Subordinated B Lender together with interest in an amount equal to any Net Default Interest actually recovered in relation to the overdue amount in respect of which the relevant ATU Cure Payment was made;

(g) seventh, to repay principal amounts outstanding in respect of the ATU Subordinated B Loan to the ATU Subordinated B Lender until the ATU Subordinated B Loan is repaid in full;

(h) eighth, to pay *pro rata*:

(i) interest (excluding default interest) to the ATU Subordinated C Lender in respect of the ATU Subordinated C Loan; and

(ii) to the ATU Subordinated C Lender, amounts due, if any, with respect to an indemnification for termination payments due under relating to the ATU Subordinated C Loan (but excluding termination costs payable due to a default of or termination caused by the applicable swap provider);

(i) ninth, to pay principal amounts outstanding in respect of the ATU Subordinated C Loan to the ATU Subordinated C Lender until the ATU Subordinated C Loan is repaid in full;

(j) tenth; to repay to the ATU Subordinated C Lender any outstanding ATU Cure Payments made by the ATU Subordinated C Lender together with interest in an amount equal to any Net Default Interest actually recovered in relation to the overdue amount in respect of which the relevant ATU Cure Payment was made;

(k) eleventh, to pay to the ATU Lenders an amount equal to their respective entitlements (if any) to any prepayment fees paid under the ATU Loan Agreement;

(l) twelfth, to any swap provider in respect of the ATU Swaps, *pro rata*, termination costs payable to the applicable swap provider where the applicable swap provider is the defaulting party or has caused the termination; and

(m) thirteenth; to the ATU Senior Lender and the ATU Subordinated Lenders *pari passu* and *pro rata*, any default interest on overdue amounts (to the extent that any default interest remains after the payment of Net Default Interest to the ATU Subordinated Lenders under items (f) and (j) above);

(n) fourteenth, to the ATU Senior Lender and the ATU Subordinated Lenders, *pari passu*, and based on original principal balances, any remaining amounts recoverable from the obligors under the ATU Loan,

provided always if, after making the payments which are payable in priority to or *pro rata* with amounts due to the ATU Senior Lender the German Income standing to the credit of the ATU Distribution Account on any ATU Loan Interest Payment Date is insufficient to fund all amounts then due and payable to the ATU Senior Lender, such priority payments will first be paid from amounts otherwise payable to the ATU Subordinated B Lender and then from amounts otherwise payable to the ATU Subordinated C Lender.

If on any ATU Loan Interest Payment Date there is an insufficient amount available to be paid to the ATU Subordinated Lenders in order to enable the amounts in (a) and (b) above to be paid in full in accordance with the ATU Post-Material Default Intercreditor Priority of Payments, then the ATU Senior Lender will pay the shortfall from amounts payable to it on such ATU Loan Interest Payment Date or, if such amounts are also insufficient for the purposes of making payment of the ATU Issuer Special Servicing Fee (and any other costs and expenses due and payable by the ATU Subordinated Lenders under the ATU Issuer Servicing Agreement) the ATU Issuer Special Servicing Fee will be paid from funds which are otherwise available to the ATU Senior Lender (which amounts may represent the proceeds of a drawing pursuant to the Liquidity Facility Agreement).

The ATU Senior Lender will be entitled to be reimbursed by the relevant ATU Subordinated Lender in respect of any such payment made in accordance with the preceding paragraph (together with interest at the rate payable by the Issuer in respect of any relevant drawing under the relevant liquidity facility agreement (if such payment is made using the proceeds of such a drawing) or with interest at the ATU Reimbursement Rate (if such payment is made otherwise than by a drawing under a liquidity facility agreement)) from amounts payable under the relevant ATU Subordinated Loan on each following ATU Loan Interest Payment Date until the ATU Senior

Lender has been reimbursed in full, with interest at the appropriate rate prior to the payment of any such amounts to the relevant ATU Subordinated Lender.

"**ATU Material Event of Default**" means, in relation to the ATU Loan, either or both of the following:

(a) an ATU Payment Event of Default; and

(b) any event of default under the ATU Loan Agreement has occurred relating to the insolvency of the ATU Borrower.

"**ATU Payment Event of Default**" means, an event of default under the ATU Loan resulting from a failure by the ATU Borrower to pay interest or principal due pursuant to the terms of the ATU Loan Agreement (unless an ATU Subordinated Lender has made an ATU Cure Payment which is sufficient to ensure that all amounts which are then due and payable on the ATU Senior Loan (and, with respect to ATU Cure Payments made by the ATU Subordinated C Lender, all amounts which are then due and payable on the ATU Subordinated B Loan) have been, or will on that date be, paid in full or any Cure Period has not yet expired).

Any break adjustments due from the ATU Senior Lender and the ATU Subordinated Lenders shall be allocated among the ATU Senior Loan and the ATU Subordinated Loans *pro rata* based upon their outstanding principal balances at the beginning of the relevant interest period under the ATU Loan.

The ATU Issuer holds all of its rights under the ATU Intercreditor Deed (together with its rights in respect of the Servicing Standard in the ATU Issuer Servicing Agreement and any consequential or related rights under any other transaction documents entered into by the ATU Issuer (together, the "**ATU Issuer Intercreditor Rights**")) relating to the ATU Senior Loan and ATU Subordinated Loans on trusts (the "**ATU Issuer Trusts**") for the ATU Issuer Security Trustee who in turn holds the same on the terms set out in the ATU Issuer Deed of Charge and Assignment for the benefit of the holders of the ATU Notes.

All ATU Issuer Intercreditor Rights relating to any ATU Notes in relation to which an ATU Noteholder has exercised its loan conversion option will be released from the relevant ATU Issuer Trust and the rights of the relevant ATU Noteholder who has become an ATU Lender shall be governed by the provisions of the ATU Intercreditor Deed.

The ATU Issuer may, notwithstanding the description set out herein, enter into an ATU Intercreditor Deed on terms which are different to those described herein, subject to receipt of Rating Agency Confirmations from two of the Rating Agencies and provided that, in respect of Moody's, the ATU Issuer is only required to provide at least 10 Business Days prior notice to Moody's of such entry.

CASH MANAGEMENT

Cash Manager

Pursuant to an agreement to be entered into on or prior to the Closing Date between the Issuer, the Issuer Servicer, the Issuer Special Servicer, the Issuer Security Trustee, the Cash Manager and the Operating Bank (the "**Cash Management Agreement**"), the Issuer will appoint Deutsche Bank AG, London Branch (the "**Cash Manager**") to be its agent to provide certain cash management services (the "**Cash Management Services**") in relation to the Issuer Transaction Account, the Stand-by Account and any other Issuer Account. The Cash Manager will undertake with the Issuer and the Issuer Security Trustee that in performing the services to be performed and in exercising its discretions under the Cash Management Agreement, the Cash Manager will perform such responsibilities and duties diligently and in conformity with the Issuer's obligations with respect to the transaction and that it will comply with any directions, orders and instructions which the Issuer or the Issuer Security Trustee may from time to time give to the Cash Manager in accordance with the Cash Management Agreement.

Operating Bank and Issuer Accounts

Pursuant to the Cash Management Agreement, Deutsche Bank AG, London Branch will act as operating bank (the "**Operating Bank**") and, as such, will open and maintain (a) the Issuer Transaction Account and (b) the Stand-by Account, and (c) such other accounts as may be required to be opened for or on behalf of the Issuer from time to time, each in the name of the Issuer, (together, the "**Issuer Accounts**"). The Operating Bank has agreed to comply with any direction of the Cash Manager or the Issuer Security Trustee to effect payments from the Issuer Transaction Account and the Stand-by Account or any other Issuer Account if such direction is made in accordance with the Cash Management Agreement and the mandate governing the applicable account.

Calculation of Amounts and Payments

On each Determination Date, the Cash Manager is required to determine the various amounts required to pay interest and principal due on the Notes on the forthcoming Distribution Date and all other amounts then payable by the Issuer and the amounts available to make such payments. In addition, the Cash Manager will calculate the Principal Amount Outstanding, the NAI Amount and the Note Factor for each class of Notes for the Interest Period commencing on such forthcoming Distribution Date and the amount of each principal payment (if any) due on each class of Notes on the next following Distribution Date, in each case pursuant to Condition 6(f) at page 276.

In addition, the Cash Manager will:

(a) make all Liquidity Drawings on behalf of the Issuer and if the Cash Manager fails to submit a notice of drawdown when it is required to do so, then either the Issuer or, if the Issuer fails to do so, the Issuer Security Trustee may submit the relevant notice of drawdown;

(b) from time to time, pay on behalf of the Issuer all payments and expenses required to be paid by the Issuer to third parties, as determined by the Issuer Servicer; and

(c) make all payments required to carry out an optional redemption of Notes pursuant to Condition 6(d) or Condition 6(e) at pages 275 and 275 respectively, in each case according to the provisions of the relevant Condition.

For further information on the responsibility of the Cash Manager in respect of the Notes, see "Terms and Conditions of the Notes" at page 257.

Statement to Noteholders

The Cash Manager has agreed on each Distribution Date to provide or make available electronically to the Issuer, the Issuer Security Trustee, the Note Trustee (for the benefit and on behalf of each Noteholder), the Issuer Servicer, the Issuer Special Servicer and the Rating Agencies, the Statement to Noteholders in respect of each Distribution Date in which it will notify the recipients of, among other things, all amounts received in the Issuer Transaction Account and payments made with respect thereto.

Delegation by the Cash Manager

The Cash Manager must not subcontract or delegate the performance of any of its obligations under the Cash Management Agreement to any subcontractor, agent, representative or delegate without the prior written consent of the Issuer and the Issuer Security Trustee, such consent not to be unreasonably withheld. Any delegated or subcontracted obligations will not relieve the Cash Manager from any liability under the Cash Management Agreement.

Fees

Pursuant to the Cash Management Agreement, the Issuer will pay to the Cash Manager on each Distribution Date a cash management fee as agreed between the Cash Manager and the Issuer and will reimburse the Cash Manager for all costs and expenses properly incurred by the Cash Manager in the performance of the Cash Management Services.

The Issuer before the service of a Note Acceleration Notice and the Issuer Security Trustee thereafter will pay the cash management fee to the Cash Manager and the operating bank fee to the Operating Bank and will reimburse the Cash Manager for its costs and expenses, all in priority to payments due on the Class A1 Notes and Class A2 Notes (or if there are no Class A1 Notes or Class A2 Notes outstanding, then on the most senior class of Notes then outstanding). This order of priority has been agreed with a view to procuring the continuing performance by each of the Cash Manager and the Operating Bank of its duties in relation to the Issuer Assets.

Termination of Appointment of the Cash Manager

The appointment of Deutsche Bank AG, London Branch as Cash Manager under the Cash Management Agreement may be terminated by virtue of its resignation or its removal by the Issuer or the Issuer Security Trustee. The Issuer (prior to a Note Acceleration Notice being given and not withdrawn) or the Issuer Security Trustee may terminate the Cash Manager's appointment upon not less than three months' written notice or immediately upon the occurrence of a termination event, including, among other things, (a) provided there are sufficient funds available a failure by the Cash Manager to make when due a payment required to be made by the Cash Manager, (b) a failure by the Cash Manager to maintain all appropriate licences, consents, approvals and authorisations required to perform its obligations under the Cash Management Agreement, (c) a default by the Cash Manager in the performance of any of its other duties under the Cash Management Agreement which continues unremedied for ten Business Days, or (d) a petition is presented or an effective resolution passed or any order is made by a competent court for the winding up (including, without limitation, the filing of documents with the court or the service of a notice of intention to appoint an administrator) or dissolution (other than in connection with a reorganisation, in terms of which have previously been approved in writing by the Issuer Security Trustee as the Note Trustee or by Extraordinary Resolutions of the Noteholders and where the Cash Manager is solvent) of the Cash Manager or the appointment of an administrator or similar official in respect of the Cash Manager. On the termination of the Cash Manager by the Issuer Security Trustee, the Issuer Security Trustee may, subject to certain conditions, appoint a successor cash manager, as applicable.

The Cash Manager may resign as Cash Manager, upon not less than three months' written notice of resignation to each of the Issuer, the Issuer Servicer, the Issuer Special Servicer, the Operating Bank and the Issuer Security Trustee provided that a suitably qualified successor Cash Manager, shall have been appointed and if no replacement has been appointed after 2 months, it may appoint the successor itself.

Termination of Appointment of the Operating Bank

The Cash Management Agreement requires that the Operating Bank be, except in certain limited circumstances, a bank which is an Authorised Entity. If Deutsche Bank AG, London Branch ceases to be an Authorised Entity, the Operating Bank will give written notice of such event to the Issuer, the Issuer Servicer, the Issuer Special Servicer, the Cash Manager and the Issuer Security Trustee and the Cash Manager shall, within 30 days after having obtained the prior written consent of the Issuer, the Issuer Servicer, the Issuer Special Servicer and the Issuer Security Trustee and subject to establishing substantially similar arrangements to those contained in the Cash Management Agreement, use its reasonable endeavours to procure the transfer of the Issuer Transaction Account and each other account held by the Issuer with the Operating Bank to another bank which is an Authorised Entity. If at the time when a transfer of such account or accounts

would otherwise have to be made, there is no other bank which is an Authorised Entity or if no Authorised Entity agrees to such a transfer, the accounts need not be transferred until such time as there is a bank which is an Authorised Entity which so agrees to accept such transfer on terms similar to those set out in the Cash Management Agreement.

The Operating Bank may resign as Operating Bank, upon not less than three months' written notice of resignation to each of the Issuer, the Issuer Servicer, the Issuer Special Servicer, the Issuer Security Trustee and the Cash Manager provided that a suitably qualified successor Operating Bank shall have been appointed and if no replacement has been appointed after 2 months, it may appoint the successor itself.

An "**Authorised Entity**" is an entity with the Requisite Rating or, if at the relevant time there is no such entity, any entity approved in writing by the Issuer Security Trustee.

If, other than in the circumstances specified above, the Cash Manager wishes the bank or branch at which any account of the Issuer is maintained to be changed, the Cash Manager shall obtain the prior written consent of the Issuer and the Issuer Security Trustee, and the transfer of such account shall be subject to the same directions and arrangements as are provided for above.

YIELD, PREPAYMENT AND MATURITY CONSIDERATIONS

Yield

The yield to maturity on any class of Notes will depend upon the price paid by the Noteholders, the interest rate thereof from time to time, the rate and timing of the distributions in reduction of the Principal Amount Outstanding of such class and the rate, timing and severity of losses on the Loans, as well as prevailing interest rates at the time of payment or loss realisation.

The yield to maturity on the Class X Notes will be highly sensitive to the rate and timing of principal payments (including by reason of a voluntary or involuntary prepayment, default or liquidation) on the Loans. Investors in the Class X Notes should fully consider the associated risks, including the risk that a faster than anticipated rate of principal payments in respect of the Loans could result in a lower than expected yield on the Class X Notes, and an earlier liquidation of the Loans could result in the failure of such investor to fully recoup their initial investments. The Loans may be repaid by the Borrowers, in whole or in part, at any time.

The distributions of principal that Noteholders receive in respect of the Notes are derived from principal repayments on the Loans.

The rate of distributions of principal in reduction of the Principal Amount Outstanding of any class of Notes, the aggregate amount of distributions in principal on any class of Notes and the yield to maturity on any class of Notes will be directly related to the rate of payments of principal on the Loans, the amount and timing of any Borrower or other obligor defaults and the severity of losses occurring upon a default.

In addition, such distributions in the reduction of the Principal Amount Outstanding of any class of Notes may result from repurchases of the Loans by the Originator in accordance with the related Asset Transfer Agreement following a breach by such Originator of the representations and warranties that it has given thereunder.

Losses with respect to any Loan may occur in connection with a default on the Loan and/or the liquidation of all or part of the related Properties.

Noteholders will only receive distributions of principal or interest when due to the extent that the related payments under the Issuer Assets are actually received or sufficient Liquidity Drawings are available under the Liquidity Facility Agreement. Consequently, any defaulted payment for which drawings cannot be made under the Liquidity Facility Agreement, will, to the extent of the principal portion thereof, tend to extend the weighted average lives of the Notes.

The Principal Amount Outstanding of any class of Notes may, for the purposes of calculating the principal balance on which interest accrues, be reduced without distributions thereon as a result of the occurrence and allocation of NAI. In general, an NAI occurs when the aggregate principal balance of a Loan is reduced without an equal distribution to applicable Noteholders in reduction of the Principal Amount Outstanding of the Notes. NAI will occur only in connection with a default on a Loan and the liquidation of the related Properties or a reduction in the principal balance of a Loan in an insolvency of a Borrower.

The rate of payments (including voluntary and involuntary prepayments) on mortgage loans is influenced by a variety of economic, geographic, social and other factors, including the level of interest rates, the amount of prior refinancing effected by the relevant borrower and the rate at which borrowers default on their loans. The terms of the Loans and, in particular, the extent to which the Borrowers are entitled to prepay the Loans, the ability of the Borrowers to realise income from the relevant Properties in excess of that required to meet scheduled payments of interest on the Loans, the obligation of the Borrowers to ensure that certain debt service coverage tests are met as a condition to the disposal of the Properties, the risk of compulsory purchase of the Properties and the risk that payments by the Borrowers may become subject to tax or result in an increased cost for the Issuer, the ATU Issuer or the Swiss Issuer may affect the rate of principal payments on the Loans and, consequently, the yield to maturity of the classes of Notes.

The timing of changes in the rate of prepayment on the Loans may significantly affect the actual yield to maturity experienced by an investor even if the average rate of principal payments experienced over time is consistent with such investor's expectation. In general, the earlier a prepayment of principal on a Loan, the greater the effect on such investor's yield to maturity. As a result, the effect on such investor's yield of principal payments occurring at a rate higher (or lower) than the rate anticipated by the investor during the period immediately following the issuance of the

Notes would not be fully offset by a subsequent like reduction (or increase) in the rate of principal payments.

No representation is made as to the rate of principal payments on the Loans or as to the yield to maturity of any class of Notes. An investor is urged to make an investment decision with respect to any class of Notes based on the anticipated yield to maturity of such class of Notes resulting from its purchase price and such investor's own determination as to anticipated prepayment rates in respect of the Loans under a variety of scenarios. The extent to which any class of Notes is purchased at a discount or a premium and the degree to which the timing of payments on such class of Notes is sensitive to prepayments will determine the extent to which the yield to maturity of such class of Notes may vary from the anticipated yield. An investor should carefully consider the associated risks, including, in the case of any Notes purchased at a discount, the risk that a slower than anticipated rate of principal payments on the Loans could result in an actual yield to such investor that is lower than the anticipated yield and, in the case of any Notes purchased at a premium, the risk that a faster than anticipated rate of principal payments could result in an actual yield to such investor that is lower than the anticipated yield.

An investor should consider the risk that rapid rates of prepayments on the Loans, and therefore of amounts distributable in reduction of the principal balance of the Notes may coincide with periods of low prevailing interest rates. During such periods, the effective interest rates on securities in which an investor may choose to reinvest such amounts distributed to it may be lower than the applicable rate of interest on the Notes. Conversely, slower rates of prepayments on the Loans, and therefore, of amounts distributable in reduction of principal balance of the Notes entitled to distributions of principal, may coincide with periods of high prevailing interest rates. During such periods, the amount of principal distributions resulting from prepayments available to an investor in Notes for reinvestment at such high prevailing interest rates may be relatively small.

Yield Sensitivity of the Class X Notes

The yield to maturity of the Class X Notes will be especially sensitive to the prepayment, default and loss experience on the Loans, which prepayment, default and loss experience may fluctuate from time to time. The Loans may be prepaid by the Borrowers, in whole or in part, at any time. A rapid rate of principal prepayments will have a material negative effect on the yield to maturity of the Class X Notes. There can be no assurance that the Loans will be repaid at any particular rate. Prospective investors in the Class X Notes should fully consider the associated risks, including the risk that such investors may not fully recover their initial investment.

Weighted Average Life of the Notes

The weighted average life of a Note refers to the average amount of time that will elapse from the date of its issuance until each euro allocable to principal of such Note is distributed to the investor. For purposes of this Offering Circular, the weighted average life of a Note is determined by (a) multiplying the amount of each principal distribution thereon by the number of years from the Closing Date to the related Distribution Date, (b) summing the results and (c) dividing the sum by the aggregate amount of the reductions in the Principal Amount Outstanding of such Note. Accordingly, the weighted average life of any such Note will be influenced by, among other things, the rate at which principal of the Loans is paid or otherwise collected or advanced and the extent to which such payments, collections or advances of principal are in turn applied in reduction of the Principal Amount Outstanding of the class of Notes to which such Note belongs.

For purposes of preparing the following tables, it was assumed that:

(i) the initial Principal Amount Outstanding of, and the interest rates for, each class of Notes are as set forth herein;

(ii) the scheduled quarterly payments for the Loans are based on stated quarterly principal (assuming funds are available therefore) and interest payments;

(iii) all scheduled quarterly payments are assumed to be timely received on the due date of each quarter commencing on the first Distribution Date;

(iv) there are no delinquencies or losses in respect of the Loans, there are no extensions of maturity in respect of the Loans (except as otherwise assumed in the Scenarios) and there are no casualties or compulsory purchases affecting the Properties;

(v) no prepayments are made on the Loans (except as otherwise assumed in the Scenarios);

(vi) none of the Issuer, the Issuer Servicer or the Issuer Special Servicer, as applicable, exercises the rights of optional termination described herein and in Conditions 6(c) and 6(d) of the "Terms and Conditions of the Notes", as applicable;

(vii) no Loans are required to be repurchased by the Originator;

(viii) there are no additional unanticipated administrative expenses;

(ix) principal and interest payments on the Notes are made on each Distribution Date, commencing in April 2006;

(x) the prepayment provisions for the Loans are as set forth in this Offering Circular, assuming the term for the prepayment provisions begin on each Loan's first Due Date;

(xi) the Swap Agreements remain in place and the Swap Provider makes timely payment of all amounts due under the Swap Agreements;

(xii) the Closing Date is 28th March 2006; and

(xiii) no Note Acceleration Notice has been served.

Assumptions (i) through (xiii) above are collectively referred to as the "**Modelling Assumptions**").

Scenario 1: it is assumed that all of the Loans are repaid in full on their respective scheduled maturity dates.

Scenario 2: it is assumed that the Loans are prepaid in full on the first Loan Interest Payment Date on which prepayments can be made without any prepayment penalties.

Scenarios 1 and 2 are collectively referred to herein as the "**Scenarios**".

Based on the Modelling Assumptions, the following tables indicate the resulting weighted average lives of the Notes and set forth the percentage of the initial Principal Amount Outstanding of each such class of Notes that would be outstanding after the Closing Date and on each Distribution Date, after repayment or prepayment, as applicable, of principal paid in that period, occurring in January of each year until the Final Maturity Date.

PERCENTAGE OF THE INITIAL PRINCIPAL AMOUNT OUTSTANDING FOR EACH DESIGNATED SCENARIO

	Class A1		Class A2		Class B	
Distribution Date	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**
January 2006	100%	100%	100%	100%	100%	100%
January 2007	95%	95%	100%	100%	100%	100%
January 2008	90%	90%	100%	100%	100%	100%
January 2009	85%	74%	100%	98%	100%	98%
January 2010	78%	67%	100%	98%	100%	98%
January 2011	60%	0%	98%	18%	98%	38%
January 2012	35%	0%	94%	9%	94%	30%
January 2013	0%	0%	5%	5%	34%	27%
January 2014	0%	0%	0%	5%	34%	27%
January 2015	0%	0%	0%	4%	34%	27%
January 2016	0%	0%	0%	0%	0%	0%
January 2017	0%	0%	0%	0%	0%	0%
January 2018	0%	0%	0%	0%	0%	0%
Weighted Average Life (years)	4.95	3.54	6.71	4.93	7.74	5.94

	Class C		Class D		Class E	
Distribution Date	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**
January 2006	100%	100%	100%	100%	100%	100%
January 2007	100%	100%	100%	100%	100%	100%
January 2008	100%	100%	100%	100%	100%	100%
January 2009	100%	98%	100%	98%	100%	98%
January 2010	100%	98%	100%	98%	100%	98%
January 2011	98%	38%	98%	38%	98%	38%
January 2012	94%	30%	94%	30%	94%	30%
January 2013	34%	27%	34%	27%	34%	27%
January 2014	34%	27%	34%	27%	34%	27%
January 2015	34%	27%	34%	27%	34%	27%
January 2016	0%	0%	0%	0%	0%	0%
January 2017	0%	0%	0%	0%	0%	0%
January 2018	0%	0%	0%	0%	0%	0%
Weighted Average Life (years)	7.74	5.94	7.74	5.94	7.74	5.94

	Class F		Class G		Class H	
Distribution Date	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**	**Scenario 1**	**Scenario 2**
January 2006	100%	100%	100%	100%	100%	100%
January 2007	100%	100%	100%	100%	100%	100%
January 2008	100%	100%	100%	100%	100%	100%
January 2009	100%	98%	100%	98%	100%	100%
January 2010	100%	98%	100%	98%	100%	100%
January 2011	98%	38%	98%	38%	100%	8%
January 2012	94%	30%	94%	30%	100%	8%
January 2013	34%	27%	34%	27%	14%	8%
January 2014	34%	27%	34%	27%	14%	8%
January 2015	34%	27%	34%	27%	14%	8%
January 2016	0%	0%	0%	0%	0%	0%
January 2017	0%	0%	0%	0%	0%	0%
January 2018	0%	0%	0%	0%	0%	0%
Weighted Average Life (years).	7.74	5.94	7.74	5.94	7.14	5.27

	Class X	
Distribution Date	**Scenario 1**	**Scenario 2**
January 2006	100%	100%
January 2007	100%	100%
January 2008	100%	100%
January 2009	100%	100%
January 2010	100%	100%
January 2011	100%	100%
January 2012	100%	100%
January 2013	100%	100%
January 2014	100%	100%
January 2015	100%	100%
January 2016	0%	0%
January 2017	0%	0%
January 2018	0%	0%
Weighted Average Life (years)	9.98	9.21

THE ISSUER

The Issuer, DECO 7 – Pan Europe 2 p.l.c., was incorporated in Ireland, on 20th April 2005, as a public company with limited liability under the Irish Companies Acts, 1963 to 2005 with company registration number 400929. The registered office of the Issuer is at First Floor, 7 Exchange Place, International Financial Services Centre, Dublin 1, Ireland. The telephone number of the Issuer's registered office is +353 1 612 55 55. The Issuer has no subsidiaries. The Issuer was incorporated under the name of DECO Series 2005-UK Conduit 1 p.l.c. and it subsequently changed its name to DECO 7 – Pan Europe 2 p.l.c.

Principal Activities

The principal activities of the Issuer are set out in clause 3(a) of its memorandum of association and are, among other things, to purchase, take transfer of, invest in and acquire loans and any security given or provided by any person in connection with such loans, to hold and manage and deal with, sell or alienate such loans and related security, to borrow, raise and secure the payment of money by the creation and issue of bonds, debentures, notes or other securities and to charge or grant security over the Issuer's property or assets to secure its obligations.

Since the date of its incorporation, the Issuer has not commenced operations and no accounts have been made up as at the date of this Offering Circular. The activities in which the Issuer has engaged are those incidental to its incorporation and registration as a public limited company under the Irish Companies Acts, 1963 to 2005, the authorisation of the issue of the Notes, the matters referred to or contemplated in this Offering Circular and the authorisation, execution, delivery and performance of the other documents referred to in this document to which it is a party and matters which are incidental or ancillary to the foregoing.

The Issuer will covenant to observe certain restrictions on its activities which are detailed in Condition 4(a) of the Notes at page 266, the Deed of Charge and Assignment and the Note Trust Deed and, as such, the Issuer is a special purpose vehicle. In addition, the Issuer will covenant in the Note Trust Deed to provide written confirmation to the Note Trustee, on an annual basis, that no Note Event of Default, or an event which will become a Note Event of Default with the giving of notice or the passage of time shall not be treated as such (or other matter which is required to be brought to the Note Trustee's attention), has occurred in respect of the Notes.

Directors and Secretary

(a) The directors of the Issuer and their other principal activities are:

Name	Principal activities
Roger McGreal	Company Director
Alan Geraghty	Company Director
Ruth Samson	Company Director

(b) The business address for each of Alan Geraghty and Roger McGreal is First Floor, 7 Exchange Place, International Financial Services Centre, Dublin 1, Ireland. The business address for Ruth Samson is Level 11, Tower 42, International Financial Centre, 25 Old Broad Street, London, EC2N 1HQ, United Kingdom. The company secretary of the Issuer is Wilmington Trust SP Services (Dublin) Limited, whose principal address is First Floor, 7 Exchange Place, International Financial Services Centre, Dublin 1, Ireland.

(c) The Directors do not, and it is not proposed that they will, have service contracts with the Issuer. No Director has entered into any transaction on behalf of the Issuer which is or was unusual in its nature of conditions or is or was significant to the business of the Issuer since its incorporation.

At the date of this Offering Circular there were no loans granted or guarantees provided by the Issuer to any Director.

(d) The Articles of Association of the Issuer provide that:

Any Director may vote on any proposal, arrangement or contract in which he is interested provided he has disclosed the nature of his interest.

Subject to the provisions of the articles of association, a Director shall hold office until such time as he is removed from office by resolution of the Issuer in general meeting or is otherwise removed or becomes ineligible to act as a Director in accordance with the articles of association.

(e) The Issuer Corporate Services Provider will, under the terms of the Corporate Services Agreement provide certain corporate services to the Issuer and the provision of related corporate administrative services. The Corporate Services Agreement may be terminated by either the Issuer or the Issuer Corporate Services Provider upon notice. Such termination shall not take effect, however, until a replacement corporate services provider has been appointed.

Since the date of incorporation of the Issuer, the Issuer has not traded, no profits or losses have been made or incurred and no dividends have been paid.

40,000 ordinary shares of the Issuer have been issued, consisting of 39,993 shares which are paid up to €0.25 each and seven which are fully paid up, all of which are held by Wilmington Trust SP Services (London) Limited or its nominee as trustee pursuant to the terms of a charitable trust established pursuant to a declaration of trust (the "**Share Declaration of Trust**") dated 21st February 2006.

DESCRIPTION OF THE NOTES AND THE DEPOSITORY AGREEMENT

The information set out below has been obtained from sources that the Issuer believes to be reliable and the Issuer accepts responsibility for correctly reproducing this information, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or reintrpretation of the rules, regulations and procedures of the Clearing Systems currently in effect, and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Registrar, the Exchange Agent, the Note Trustee, the Issuer Security Trustee, the Depository, Deutsche Bank AG, London Branch or any Agent party to the Agency Agreement (or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act) will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

General

Each class of Notes will initially be represented by one Regulation S Global Note and one Rule 144A Global Note (except that the Class X Notes will initially be represented by a Regulation S Global Note only) in bearer form (all such Global Notes being herein referred to as the "**Global Notes**"). The Global Notes will be deposited on or about the Closing Date with the Global Note Custodian who will hold each Global Notes at all times on behalf of Deutsche Bank Trust Company Americas as Depository (the "**Depository**") pursuant to the terms of the Depository Agreement. The Depository will for each class of Note (a) issue a certificated depository interest in respect of the Rule 144A Global Note in the name of DTC or its nominee, (b) issue a certificated depository interest in respect of the Regulation S Global Note to BT Globenet Nominees Limited as nominee for Deutsche Bank AG, London Branch, the common depositary (the "**Common Depositary**") for the account of Euroclear and Clearstream, Luxembourg. All of the certificated depository interests (the "**CDIs**") will represent a 100 per cent. interest in the underlying Global Note relating thereto. The Depository, acting as agent of the Issuer, will maintain a book-entry system in which it will register DTC or its nominee as the owner of the certificated depository interests referred to in (a) above and the Common Depositary or BT Globenet Nominees Limited as nominee of the Common Depositary as owner of the certificated depository interests referred to in (b) above.

Upon confirmation by the Common Depositary that the Global Note Custodian has custody of the Regulation S Global Notes, the Common Depositary, Euroclear or Clearstream, Luxembourg, as the case may be, will record Book-Entry Interests representing beneficial interests in the relevant CDIs attributable to the Regulation S Global Notes and the Rule 144A Global Notes relating thereto. Book Entry Interests in the Notes will be shown on and transfers will only be effected through records made in book-entry form by Euroclear or Clearstream, Luxembourg or their respective participants.

Upon confirmation by the DTC Custodian that the Global Note Custodian has custody of the Rule 144A Global Notes pursuant to the DTC Letter of Representations sent by the Depository and the Issuer to DTC, DTC will record Book-Entry Interests representing beneficial interests in the relevant CDIs.

For the avoidance of doubt, all references in this section to a "**Book-Entry Interest**" in a Global Note shall be construed as a reference to a Book-Entry Interest in the CDI attributable to such Global Note.

Book-Entry Interests in respect of Global Notes will be recorded in minimum denominations of €50,000 (or, in the case of the Rule 144A Notes, minimum denominations of €250,000). Ownership of Book-Entry Interests in respect of Global Notes will be limited to persons that have accounts with DTC, Euroclear or Clearstream, Luxembourg ("**participants**") or persons that hold interests in the Book-Entry Interests through participants ("**indirect participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with DTC, Euroclear or Clearstream, Luxembourg either directly or indirectly. Indirect participants will also include persons that hold beneficial interests through such indirect participants. Book-Entry Interests in respect of Global Notes will not be held in definitive form. Instead,

Euroclear and Clearstream, Luxembourg, as applicable, will credit the participants' accounts with the respective Book-Entry Interests beneficially owned by such participants on each of their respective book-entry registration and transfer systems. The accounts to be credited will be designated by Deutsche Bank AG, London Branch. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by DTC, Euroclear or Clearstream, Luxembourg (with respect to the interests of their participants) and on the records of participants or indirect participants (with respect to the interests of their participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability of persons within such jurisdictions or otherwise subject to the laws thereof to own, transfer or pledge Book-Entry Interests.

So long as the Depository or its nominee is the holder of the Global Notes underlying the Book-Entry Interests, the Depository or such nominee, as the case may be, will be considered the sole Noteholder for all purposes under the Note Trust Deed. Except as set forth below under "Issuance of Definitive Notes" at page 251, participants or indirect participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Note Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of the Depository and DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and indirect participants must rely on the procedures of the participant or indirect participants through which such person owns its interest in the relevant Book-Entry Interests to exercise any rights and obligations of a holder of Notes under the Note Trust Deed.

For further information about the actions to be taken by the Depository in respect of the Global Notes and Book-Entry Interests, see "Action in Respect of the Global Notes and the Book-Entry Interests" below at page 252.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Note Trust Deed to act upon solicitations by the Issuer of consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from DTC, Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, their participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of a Note Event of Default under the Notes, holders of Book-Entry Interests will be restricted to acting through DTC, Euroclear and Clearstream, Luxembourg and the Depository unless and until Definitive Notes are issued in accordance with the Terms and Conditions. There can be no assurance that the procedures to be implemented by DTC, Euroclear, Clearstream, Luxembourg and the Depository under such circumstances will be adequate to ensure the timely exercise of remedies under the Note Trust Deed.

The CDIs held by the Common Depositary or its nominee may not be transferred except as a whole by the Common Depositary to a successor of the Common Depositary or its nominee. The CDIs held by or on behalf of DTC may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor.

Purchasers of Book-Entry Interests in a Global Note pursuant to Rule 144A will hold Book-Entry Interests in the Rule 144A Global Note relating thereto. Investors may hold their Book-Entry Interests in respect of a Rule 144A Global Note directly through (a) DTC if they are participants in such system, or indirectly through organisations which are participants in such system; Euroclear and Clearstream, Luxembourg are such participants or (b) Euroclear and Clearstream, Luxembourg if they are account holders in such systems, or indirectly if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. All Book-Entry Interests in the Rule 144A Global Notes held by or on behalf of DTC will be subject to the procedures and requirements of DTC and all Book-Entry Interests in the Rule 144A Global Notes held by the Common Depositary or its nominee will be subject to the procedures and requirements of Euroclear and Clearstream, Luxembourg.

Purchasers of Book-Entry Interests in a Global Note pursuant to Regulation S will hold Book-Entry Interests in the Regulation S Global Note relating thereto. Investors may hold their Book-Entry Interests in respect of a Regulation S Global Note directly through Euroclear or Clearstream, Luxembourg, if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Regulation S Global Note on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

For further information regarding the purchase of Book-Entry interest pursuant to Regulation S, see ''Transfer Restriction'' at page 344.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfer of Book-Entry Interests among participants of DTC and account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Note Trustee, the Depository, the Registrar, the Agents or any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

Payments on Global Notes and the CDI's

Each payment of principal and interest in respect of the Notes shall be made in accordance with the Agency Agreement (as defined below).

Payments of any amounts owing in respect of the Global Notes will be made by the Issuer, in Euros, to the Global Note Custodian, who will in turn distribute such payments to the Depository. The Depository will, in turn (i) arrange for payments of such amounts in respect of the Regulation S Global Notes to be made to the Common Depositary for Euroclear or Clearstream, Luxembourg, or its nominee which will distribute such payments to participants who hold interests in the Regulation S CDIs in accordance with the procedures of Euroclear or Clearstream, Luxembourg and (ii) arrange for payments of such amounts in respect of the Rule 144A Global Notes to be made to the DTC Custodian on behalf of DTC which will distribute such payments to participants who hold interests in the Rule 144A CDIs in accordance with the procedures of DTC.

Under the terms of the Note Trust Deed, the Issuer and the Note Trustee will treat the registered holders of the CDIs as the owner thereof for the purposes of receiving payments and for all other purposes. Consequently, none of the Issuer, the Note Trustee or any agent of the Issuer or the Note Trustee has or will have any responsibility or liability for:

(a) any aspect of the records of Euroclear, Clearstream, Luxembourg or DTC or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream, Luxembourg or DTC or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest; or

(b) Euroclear, Clearstream, Luxembourg or DTC or any participant or indirect participant.

The Note Trustee is entitled to rely on any certificate or other document issued by Euroclear, Clearstream, Luxembourg or DTC for determining the identity of the several persons who are for the time being the beneficial holders of any CDIs.

All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Depository to the Common Depositary or its nominee, the respective systems will promptly credit their participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or of Clearstream, Luxembourg. In the case of DTC, upon receipt of any payment from the Depository, DTC will promptly credit its participants' accounts with payments in amounts proportionate to their respective ownerships of Book-Entry Interests as shown in the records of DTC. The Issuer expects that payments by participants to

owners of interests in Book-Entry Interests held through such participants or indirect participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "**street name**", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Note Trustee, the Depository, the Registrar, the Agents or any other agent of the Issuer, the Note Trustee or the Registrar will have any responsibility or liability for any aspect of the records of Euroclear or Clearstream, Luxembourg relating to or payments made by Euroclear or Clearstream, Luxembourg on account of a participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a participant's ownership of Book-Entry Interests.

DTC is unable to accept payments denominated in euro in respect of the Global Notes. Accordingly, holders of beneficial interests in Rule 144A CDIs held through DTC who wish payments to be made to them in euro outside DTC must, in accordance with DTC's customary procedures, notify DTC not less than 15 days prior to each Distribution Date (a) that they wish to be paid in euro and (b) of the relevant bank account details into which such euro payments are to be made.

If such instruction are not received by DTC, the Exchange Agent will, pursuant to the Exchange Agency Agreement, exchange the relevant euro amounts for which it had not received contrary instructions from the Depository (acting on the instructions of DTC) into dollars and the relevant Noteholders, will receive the dollar equivalent of such euro payment. In certain cases, the appointment of the Exchange Agent may be terminated without a successor being appointed and in such cases, Noteholders may experience delays in obtaining payment.

Book-Entry Ownership

Each Regulation S CDI will have an ISIN and a Common Code and will be deposited with, and registered in the name of BT Globenet Nominees Ltd. as nominee of Deutsche Bank AG, London Branch as Common Depositary on behalf of Euroclear and Clearstream, Luxembourg.

Each Rule 144A CDI will have a CUSIP number and will be registered in the name of Cede & Co. as nominee of DTC and will be deposited with Deutsche Bank Trust Company Americas as custodian (the "**DTC Custodian**") for DTC. The DTC Custodian and DTC will electronically record the principal amount of the Notes represented by the Rule 144A CDIs held within the DTC system.

Information Regarding DTC, Euroclear and Clearstream, Luxembourg

DTC, Euroclear and Clearstream, Luxembourg have informed the Issuer as follows:

DTC is a limited-purpose trust company organised under the New York Banking Law, a "**banking organisation**" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "**clearing corporation**" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC was created to hold securities of its participants and to facilitate the clearance and settlement of transactions among its participants in such securities through electronic book-entry changes in accounts of participants, thereby eliminating the need for physical movement of securities certificates. DTC participants include security brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Investors may hold their interests in a Regulation 144A CDI directly through DTC if they are participants ("**direct participants**") in the DTC system or indirectly ("**indirect participants**" and together with direct participants, "**participants**"). DTC has advised that it will take any action permitted to be taken by a holder of Rule 144A CDIs only at the direction of one or more direct participants and only in respect of such portion of the aggregate principal amount of the relevant Rule 144A CDIs as to which such direct participant or direct participants has or have given such direction.

Custodial and Depository links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Regulation S CDIs and secondary market trading of beneficial interests in the Regulation S CDIs.

Clearstream, Luxembourg and Euroclear each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between

their respective account holders. Clearstream, Luxembourg and Euroclear provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg and Euroclear also deal with domestic securities markets in several countries through established Depository and custodial relationships. Clearstream, Luxembourg and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream, Luxembourg and Euroclear customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg and Euroclear is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Investors may hold their interests in such Regulation S CDIs directly through Euroclear or Clearstream, Luxembourg if they are accountholders (''**direct participants**'') or indirectly (''**indirect participants**'' and together with direct participants, ''**participants**'') through organisations which are accountholders therein.

Distributions of payments with respect to interests in the Regulation S CDIs, held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Depository, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

As Euroclear and Clearstream, Luxembourg act on behalf of their respective accountholders only, who in turn may act on behalf of their respective clients, the ability of beneficial owners who are not accountholders with Euroclear or Clearstream, Luxembourg to pledge interests in the Regulation S CDIs to persons or entities that are not accountholders with Euroclear or Clearstream, Luxembourg, or otherwise take action in respect of interests in the Regulation S CDIs, may be limited.

The Issuer understands that under existing industry practices, if either the Issuer or the Note Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Note Trust Deed, Euroclear or Clearstream, Luxembourg, as the case may be, would authorise the participants owning the relevant Book-Entry Interests to give instructions or take such action, and such participants would authorise indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

Redemption

In the event that any Global Note is redeemed, it is anticipated that the Global Note Custodian and, in turn, the Depository will deliver all amounts received by it in respect of the redemption of such Global Note to the Common Depositary (in the case of a Regulation S Global Note or to the DTC Custodian in the case of a redemption of a Rule 144A Global Note and, upon a final payment, surrender such Global Note to or to the order of the Principal Paying Agent for cancellation. The aggregate redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Depository in connection with the redemption of the Global Note relating thereto.

Transfer and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by DTC, Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its participants.

For further information about transfers of Book-Entry Interests and the records thereof, see ''Important Notice'' at page 2.

Each Rule 144A Global Note and Rule 144A CDI will bear a legend substantially identical to that appearing in paragraph (d) under ''Transfer Restrictions'' at page 344, and no Rule 144A Global Note, Rule 144A CDI nor any Book-Entry Interest in such Rule 144A Global Note may be transferred except in compliance with the transfer restrictions set forth in such legend. A Book-Entry Interest in a Rule 144A Global Note of one class may be transferred to a person who takes delivery in the form of a Book-Entry Interest in the Regulation S Global Note of the same class, whether before or after the expiration of the Note Distribution Compliance Period, only upon receipt

by the Depository of a written certification from the transferor (in the form provided in the Depository Agreement) to the effect that such transfer is being made to a non-U.S. person and in accordance with Rule 903 or Rule 904 of Regulation S or Rule 144A under the Securities Act (if available) and that, if such transfer occurs prior to the expiration of the Note Distribution Compliance Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream, Luxembourg.

A person acquiring a Book-Entry Interest in a Rule 144A CDI shall be deemed to have agreed to be bound by the transfer restrictions applicable to such CDI and may be requested to agree in writing to be so bound.

Each Regulation S Global Note will bear a legend substantially identical to that appearing in paragraph (f) under ''Transfer Restrictions'' at page 344. Until and including the 40th day after the later of the commencement of the offering of the Notes and the closing date for the offering of the Notes (the ''**Note Distribution Compliance Period**''). Book-Entry Interests in a Regulation S Global Note may be held only through Euroclear or Clearstream, Luxembourg, unless transfer and delivery is made through a Rule 144A Global Note of the same class. Prior to the expiration of the Note Distribution Compliance Period a Book-Entry Interest in a Regulation S Global Note of one class may be transferred to a person who takes delivery in the form of a Book- Entry Interest in a Rule 144A Global Note of the same class only upon receipt by the Depository of written certification from the transferor (in the form provided in the Depository Agreement) to the effect that such transfer is being made to a person whom the transferor reasonably believes is purchasing for its own account or for an account or accounts as to which it exercises sole investment discretion and that such person and such account or accounts is a qualified institutional buyer within the meaning of Rule 144A and a qualified purchaser within the meaning of section 2(a)(51) of the Investment Company Act, in each case, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Any Book-Entry Interest in a Regulation S Global Note of one class that is transferred to a person who takes delivery in the form of a Book-Entry Interest in a Rule 144A Global Note of the same class will, upon transfer, cease to be represented by a Book-Entry Interest in such Regulation S Global Note and will become represented by a Book-Entry Interest in such Rule 144A Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to Book-Entry Interests in a Rule 144A Global Note for as long as it remains such a Book-Entry Interest. Any Book-Entry Interest in a Rule 144A Global Note of one class that is transferred to a person who takes delivery in the form of a Book-Entry Interest in the Regulation S Global Note of the same class will, upon transfer, cease to be represented by a Book-Entry Interest in such Rule 144A Global Note and will become represented by a Book-Entry Interest in such Regulation S Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to Book-Entry Interests in a Regulation S Global Note as long as it remains such a Book-Entry Interest.

In order to comply with rules of ERISA, the Notes may not be transferred to any retirement plan or other employee benefit plan or arrangement, regardless of whether such plan or arrangement is subject to ERISA or corresponding sections of the U.S. Internal Revenue Code, except under the conditions described herein under ''U.S. ERISA Considerations'' at page 335. Each owner of a beneficial interest in the Notes will be deemed to represent that it complies with such transfer restrictions and any transfer in violation of such restrictions will be void *ab initio*.

For further information about ERISA restrictions in respect to the Notes, see ''U.S. ERISA Considerations'' at page 335.

Transfer of CDIs

The Regulation S CDIs and the Rule 144A CDIs may be transferred respectively by the Common Depositary only to a successor Common Depositary and by the DTC Custodian only to a successor DTC Custodian.

Issuance of Definitive Notes

Holders of Book-Entry Interests in a Global Note will be entitled to receive Definitive Notes representing Notes of the relevant class in registered form in exchange for their respective holdings of Book-Entry Interests only if:

(a) (in the case of CDIs in Regulation S Global Notes held by or on behalf of the Common Depositary) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Note Trustee is available; or

(b) (in the case of CDIs in Rule 144A Global Notes held by or on behalf of DTC), DTC has notified the Issuer that it is at any time unwilling or unable to continue as the holder with respect to the CDIs or is at any time unwilling to unable to continue as, or ceases to be, a clearing agency registered under the Exchange Act and a successor to DTC registered as a clearing agency under the Exchange Act is not appointed by the Issuer within 90 days of such notification or cessation; or

(c) the Depository notifies the Issuer at any time that it is unwilling or unable to continue as Depository and a successor Depository not previously approved by the Note Trustee in writing is not appointed by the Issuer within 60 days of such notification; or

(d) as a result of any amendment to, or change in, the laws or regulations of Ireland or any other jurisdiction (or of any political sub-division thereof or of any authority therein or thereof having power to tax) or in the interpretation or administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive registered form.

Any Definitive Notes issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Depository shall instruct the Registrar based on the instructions of Euroclear or Clearstream, Luxembourg (in the case of Regulation S Global Notes held by or on behalf of the Common Depositary) or DTC (in the case of Rule 144A Global Notes held by or on behalf of DTC). It is expected that such instructions will be based upon directions received by DTC, Euroclear or Clearstream, Luxembourg from their participants with respect to ownership of the relevant Book-Entry Interests. In no event will Definitive Notes be issued in bearer form.

Action in Respect of the Global Notes and the Book-Entry Interests

Not later than 10 days after receipt by the Depository of any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes or holders of Book-Entry Interests, the Depository will deliver to DTC, Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date DTC, Euroclear and Clearstream, Luxembourg will be entitled to instruct the Depository as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of DTC, Euroclear and Clearstream, Luxembourg, as applicable, the Depository will endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. DTC, Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under ''Important Notice'' above with respect to soliciting instructions from their respective participants. The Depository will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports to Noteholders: Available Information

The Depository will promptly send to the holder of a CDI a copy of any notices, reports and other communications received from the Global Note Custodian or the Issuer, (save where such notice, report or other communication contains information which is not permitted to be distributed to any person holding a beneficial interest in a CDI under any applicable law) which are both: (a) received by the Global Note Custodian, on behalf of the Depository, as holder of the relevant Global Notes; and (b) made generally available by the Issuer to holders of the Notes represented by such Global Note. In addition so long as the Notes are admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market, and the rules of the Irish Stock Exchange so require notices regarding the Notes will be notified to the Company Announcement Office of the Irish Stock Exchange.

On each Distribution Date, the Cash Manager will be required to provide or make available electronically to the Note Trustee, for the benefit of and on behalf of each Noteholder, the Issuer Servicer, the Issuer Special Servicer, the Swiss Issuer Servicer, the Swiss Issuer Special Servicer, the Managers, the Rating Agencies, the Issuer and the Originator, a statement (a "**Statement to Noteholders**"), where necessary based upon information provided by the Issuer Servicer, the Issuer Special Servicer, the Swiss Issuer Servicer and the Swiss Issuer Special Servicer. Each Statement to Noteholders will be made available to Noteholders and certain other persons on a quarterly basis via the Cash Manager's internet website currently located at https://www.tss.db.com/invR; however, such website does not form part of the information provided for the purposes of this Offering Circular. Registration may be required for access to this website and disclaimers may be posted with respect to the information posted thereon. The Statements to Noteholders will also be made available through Bloomberg L.P Among other things the Statement to Noteholders will contain the following information:

(a) the amount of the distribution on the Distribution Date to the holders of each class of Notes in reduction of the Principal Amount Outstanding of such class;

(b) the amount of the distribution on the Distribution Date to the holders of each class of Notes allocable to the interest due or overdue on such class;

(c) the aggregate amount of any drawings made under the Liquidity Facility Agreement in respect of the Distribution Date;

(d) the aggregate amount of compensation paid to the Note Trustee, the Issuer Security Trustee, the Cash Manager, the Agent Bank, the Liquidity Facility Provider, the Operating Bank, the Corporate Services Provider, the Paying Agents, the Registrar and servicing compensation paid to the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer and the ATU Issuer Special Servicer by the Issuer, and in relation to compensation paid to the Swiss Issuer Servicer and the Swiss Issuer Special Servicer, by the Swiss Issuer with respect to the related Interest Period for the Distribution Date;

(e) the principal balance of the Loans outstanding immediately before and immediately after the Distribution Date;

(f) the weighted average remaining term to maturity of the Loans as of the end of the related Interest Period for the Distribution Date;

(g) the aggregate value of the Properties as of the Distribution Date based on the most recent valuations of the Properties;

(h) the amounts available to the Issuer for distribution to the Noteholders by way of principal and interest for the Distribution Date;

(i) the Rate of Interest for each class of Notes for the Distribution Date;

(j) the Principal Amount Outstanding of each class of Notes immediately before and immediately after the Distribution Date;

(k) the Note Factor for each Class of Notes;

(l) the amount of any remaining unpaid interest shortfalls for each class of Notes as of the Distribution Date;

(m) the amount and the type of principal prepayment occurring on the Loans since the previous Determination Date (or in the case of the first Distribution Date, as of the Closing Date);

(n) if a liquidation of a Property or a part of a Property has occurred since the previous Determination Date (or in the case of the first Distribution Date, as of the Closing Date) (other than a payment in full), the aggregate of all liquidation or enforcement proceeds which are included in the amounts to be distributed to Noteholders and other amounts received in connection with the liquidation (separately identifying the portion thereof allocable to distributions on the Notes);

(o) any interest on drawings paid to the Liquidity Facility Provider since the previous Determination Date or payable on the Distribution Date;

(p) any interest on any Property Protection Advances paid to the relevant servicer and special servicer since the previous Determination Date or payable on the Distribution Date;

(q) the original and then current credit support levels for each class of Notes;

(r) the original and then current ratings for each class of Notes; and

(s) identification of any default actually known under the Loan documents, as of the close of business on the last day of the month preceding the month in which the relevant Distribution Date occurs and a summary description of any action taken since the last Statement to Noteholders.

In addition, the Note Trustee will give Noteholders not more than 60 nor less than 30 days' written notice of any early redemption of the Notes.

In addition, the Cash Manager will make available to the Noteholders via the Cash Manager's internet website (currently located at www.tss.db.com/invR) the Servicer Quarterly Reports. Such website does not form part of the information provided for the purposes of this Offering Circular. Registration may be required for access to this website and disclaimers may be posted with respect to the information posted thereon.

In the information referred to above, the amounts will be expressed as a euro amount in the aggregate for all Notes of each applicable class and per any Definitive Note. In addition, within a reasonable period of time after the end of each calendar year, the Cash Manager is required to furnish to each person or entity who at any time during the calendar year was a holder of a Note, a statement containing the information set forth in (a) and (b) above as to the applicable class, aggregated for the related calendar year or applicable partial year during which that person was a Noteholder, together with any other information as the Cash Manager deems necessary or desirable, or that a Noteholder reasonably requests, to enable Noteholders to prepare their tax returns for that calendar year.

The Cash Management Agreement requires that the Cash Manager make available at its offices, during normal business hours, for review by any Noteholder, the Originator, the Issuer, the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer, the Swiss Special Servicer, the Issuer Security Trustee, the Rating Agencies, or any other person to whom the Cash Manager or the Note Trustee, as applicable, believes the disclosure is appropriate, upon their prior written request, originals or copies of, among other things, the following items:

(a) the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement, the Swiss Issuer Servicing Agreement and any amendments to such agreements;

(b) all Statements to Noteholders made available to holders of the relevant class of Notes since the Closing Date; and

(c) all accountants' reports delivered to the Cash Manager since the Closing Date.

Copies of any and all of the foregoing items will be available from the Cash Manager upon request; however, the Cash Manager or the Note Trustee, as applicable, will be permitted to require payment of a sum sufficient to cover the reasonable costs and expenses of providing the copies.

The Issuer Servicing Agreement, the ATU Issuer Servicing Agreement, the Swiss Issuer Servicing Agreement and the Cash Management Agreement will require the relevant servicer or special servicer and the Cash Manager, subject to certain restrictions (including execution and delivery of a confidentiality agreement and compliance with applicable securities laws and regulations) set forth in the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement, the Swiss Issuer Servicing Agreement and the Cash Management Agreement, to provide certain of the reports or, in the case of the Issuer Servicer, the ATU Issuer Servicer and the Swiss Issuer Servicer access to the reports available as set forth above, as well as certain other information received by the Issuer Servicer, the ATU Issuer Servicer the Swiss Issuer Servicer or the Cash Manager, as the case may be, to any Noteholder, the Managers, the Originator or any holder of a Note so identified by a beneficial owner or a Note or a Manager, that requests reports or information. However, the Cash Manager, the Issuer Servicer, the ATU Issuer Servicer and the Swiss Issuer Servicer will be permitted to require payment of a sum sufficient to cover the reasonable costs and expenses of providing copies of these reports or information. Except as otherwise set forth in this paragraph, until the time Definitive Notes are issued, notices and statements required to be mailed to holders of Notes will be available to the beneficial owners of the Notes only to the extent they are forwarded by or otherwise available through Euroclear or Clearstream, Luxembourg, as applicable. Conveyance of notices and other communications by

Euroclear or Clearstream, Luxembourg to their participants, and by participants to beneficial owners of the Notes, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Except as otherwise set forth in this paragraph, the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer, the Swiss Issuer Special Servicer, the Note Trustee, the Issuer Security Trustee, the Cash Manager and the Issuer are required to recognise as Noteholders only those persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of the Notes.

Pursuant to the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement and the Swiss Issuer Servicing Agreement, the Issuer Servicer or the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, and the Swiss Issuer Servicer or the Swiss Issuer Special Servicer, as applicable, is required to deliver certain reports to the Cash Manager which the Cash Manager is required to make available.

For further information about the reporting requirements with respect to the Noteholders, see ''Reports to Noteholders: Available Information'' at page 252.

Action by Depository

Subject to certain limitations, upon the occurrence of a Note Event of Default with respect to the Notes whilst represented by Global Notes or in connection with any other right of the holder of the Global Notes under the Note Trust Deed or the Depository Agreement, if requested in writing by Euroclear, Clearstream, Luxembourg or DTC as applicable (acting on the instructions of their respective participants in accordance with their respective procedures), the Depository will take any such action so be requested by them, subject to, if required by the Depository, such reasonable security or indemnity from the participants against the costs, expenses and liabilities that the Depository might properly incur in compliance with such request.

Charges of Depository and Indemnity

The Issuer has agreed to pay all charges of the Depository under the Depository Agreement. The Issuer has also agreed to indemnify the Depository against certain liabilities incurred by it under the Depository Agreement.

Amendment and Termination

The Depository Agreement may be amended by agreement among the Issuer, the Depository, the Registrar and the Note Trustee, the Issuer Security Trustee and the Global Note Custodian. The consent of the the holders of the Book-Entry Interests shall not be required in connection with any amendment made to the Depository Agreement: (a) to cure any inconsistency, omission, defect or ambiguity in such agreement; (b) to add to the covenants and agreements of the Depository, the Global Note Custodian, the Registrar or the Issuer; (c) to effect the assignment of the Depository's, the Global Note Custodian's or the Registrar's rights and duties to a qualified successor; (d) to comply with U.S. Federal and Irish securities and tax laws; (e) to change, amend or supplement the Depository Agreement in any other manner which, in the opinion of the Note Trustee, is not adverse to the holders of Book-Entry Interests. Except as set forth above, no amendment that is materially prejudicial to the holders of the Book-Entry Interests may be made to the Depository Agreement without the consent of the holders of the Book-Entry Interests.

Upon the issuance of Definitive Notes, the Depository Agreement will terminate and the Issuer will enter into suitable registration arrangements. The Depository Agreement may also be terminated upon the resignation of the Depository if no successor has been appointed within 60 days as set forth under ''Resignation or Removal of Depository'' below.

Resignation or Removal of Depository

The Depository may at any time resign as Depository upon 60 days' written notice delivered to each of the Issuer and the Note Trustee. The Issuer may remove the Depository at any time upon 60 days' written notice delivered to the Depository. No resignation or removal of the Depository and no appointment of a successor Depository shall become effective until (i) the acceptance of appointment by the successor Depository or (ii) the issue of Definitive Notes.

Obligation of Depository

The Depository will assume no obligation or liability under the Depository Agreement other than to use good faith and reasonable care in the performance of its duties under such Agreement.

Currency of Payments in respect of the Rule 144A CDIs

Subject to the following paragraph, while interests in the Rule 144A CDIs are held by a nominee for DTC, all payments in respect of such Rule 144A CDIs will be made in U.S. Dollars. As determined by the Exchange Agent under the terms of the Agency Agreement, the amount of U.S. Dollars payable in respect of any particular payment under the Rule 144A CDIs will be equal to the amount of Euros otherwise payable exchanged into U.S. Dollars at the Euro/U.S. Dollar rate of exchange prevailing as at 11:00 a.m. (New York City time) on the day which is two New York Business Days prior to the relevant payment date, less any costs incurred by the Exchange Agent for such conversion (to be shared *pro rata* among the holders of the Rule 144A CDIs accepting U.S. Dollar payments in proportion to their respective holdings), all as set out in more detail in the Agency Agreement.

Notwithstanding the above, the holder of an interest through DTC in a Rule 144A CDI may make application to DTC to have a payment or payments under such Rule 144A CDIs made in Euros by notifying the DTC participant through which its book-entry interest in the Rule 144A CDI is held on or prior to the record date of (a) such investor's election to receive payment in Euros, and (b) wire transfer instructions to an account entitled to receive the relevant payment. Such DTC participant must notify DTC of such election and wire transfer instructions on or prior to the third New York Business Day after the record date for any payment of interest and on or prior to the twelfth New York Business Day prior to the payment of principal. DTC will notify the Registrar of such election and wire transfer instructions on or prior to the fifth New York Business Day after the record date for any payment of interest and on or prior to the tenth New York business day prior to the payment of principal. If complete instructions are received by the DTC participant and forwarded by the DTC participant to DTC and by DTC to the Registrar on or prior to such date, such investor will receive payments in Euros, otherwise only U.S. Dollar payments will be made by the Registrar or the Principal Paying Agent. All costs of such payment by wire transfer will be borne by holders of book-entry interests receiving such payments by deduction from such payments.

In this paragraph, "**New York Business Day**" means any day on which commercial banks and foreign exchange markets settle payments in New York City.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form in which they will be set out in the Note Trust Deed.

The €295,000,000 Class A1 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A1 Notes**"), the €809,000,000 Class A2 Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class A2 Notes**"), the €50,000 Class X Commercial Mortgage Backed Variable Rate Notes due 2018 (the "**Class X Notes**"), the €179,000,000 Class B Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class B Notes**"), the €89,000,000 Class C Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class C Notes**"), the €29,000,000 Class D Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class D Notes**"), the €59,000,000 Class E Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class E Notes**"), the €32,000,000 Class F Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class F Notes**"), the €27,000,000 Class G Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class G Notes**") and the €37,115,278 Class H Commercial Mortgage Backed Floating Rate Notes due 2018 (the "**Class H Notes**" and, together with the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, the "**Notes**") (as more fully defined below)) of DECO 7–Pan Europe 2 p.l.c. (the "**Issuer**") are constituted by a trust deed dated on or about 28th March 2006 (the "**Closing Date**") (the "**Note Trust Deed**", which expression includes such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) and made between the Issuer and Deutsche Trustee Company Limited (the "**Note Trustee**", which expression includes its successors or any further or other trustee under the Note Trust Deed) as trustee for the holders for the time being of the Notes.

The respective holders of the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes (each, a "**Noteholder**" and, collectively, the "**Noteholders**") are referred to in these Conditions (as defined below) as the "**Class A1 Noteholders**", "**Class A2 Noteholders**", the "**Class X Noteholders**", the "**Class B Noteholders**", the "**Class C Noteholders**", the "**Class D Noteholders**", the "**Class E Noteholders**", the "**Class F Noteholders**", the "**Class G Noteholders**" and the "**Class H Noteholders**" respectively.

Any reference to a "**class**" of Notes or Noteholders shall be a reference to any, or all of, the respective Class A1 Notes, the Class A2 Notes, Class X Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes and Class H Notes, or any, or all of, their respective holders, as the case may be.

The security for the Notes is constituted by, and on terms set out in, an English law governed deed of charge and assignment dated on or about the Closing Date (the "**Deed of Charge and Assignment**", which expression includes such deed of charge and assignment as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified), a German law governed security agreement dated on or about the Closing Date (the "**German Security Agreement**", which expression includes such security agreement as from time to time modified in accordance with the conditions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified), a Luxembourg law governed security agreement dated on or about the Closing Date (the "**Luxembourg Security Agreement**", which expression includes such security agreement as from time to time modified in accordance with the conditions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) and a Swiss law governed pledge agreement dated on or about the Closing Date (the "**Swiss Security Agreement**", which expression includes such pledge agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified, and together with the Deed of Charge and Assignment, the Luxembourg Security Agreement and the German Security Agreement the "**Issuer Security Documents**"), and made in each case between, *inter alios*, the Issuer and the Issuer Security Trustee. By an agency agreement dated on or about the Closing Date (the "**Agency Agreement**", which expression includes such agency agreement as from time to time modified in accordance with the provisions therein contained and any agreement, deed or other document expressed to be supplemental

thereto as from time to time so modified) and made between, *inter alios*, the Issuer, the Note Trustee, Deutsche Bank AG, London Branch in its separate capacities under the same agreement as principal paying agent (the "**Principal Paying Agent**", which expression includes any other principal paying agent appointed in respect of the Notes) and agent bank (the "**Agent Bank**", which expression includes any other agent bank appointed in respect of the Notes) (the Principal Paying Agent being, together with the Irish Paying Agent (as defined below) and any further or other paying agents for the time being appointed in respect of the Notes, the "**Paying Agents**" and, together with the Agent Bank, the "**Agents**") and Deutsche International Corporate Services (Ireland) Limited in its capacity under the same agreement as Irish paying agent (the "**Irish Paying Agent**", which expression includes any other Irish paying agent appointed in respect of the Notes) and by a depository agreement dated on or about the Closing Date (the "**Depository Agreement**") which expression includes such depository agreement as from time to time modified in accordance with the provisions therein contained and any agreement, deed or document expressed to be supplemental thereto as from time to time modified) and made between, *inter alios*, the Issuer, the Note Trustee and Deutsche Bank Trust Company Americas in its separate capacities under the same agreement as depository (the "**Depository**", which expression includes any other depository appointed in respect of the Notes) and registrar (the "**Registrar**", which expression includes any other Registrar appointed in respect of the Notes), and by an exchange agency agreement dated on or about the Closing Date (the "**Exchange Agency Agreement**") and made between, *inter alios*, the Issuer and Deutsche Bank Trust Company Americas (the "**Exchange Agent**") provision is made for, *inter alia*, the payment of principal and interest in respect of the Notes.

The provisions of these Terms and Conditions (the "**Conditions**" and any reference to a "**Condition**" shall be construed accordingly) include summaries of, and are subject to, the detailed provisions of the Note Trust Deed, the Agency Agreement, the Issuer Security Documents, the Depository Agreement, the Exchange Agency Agreement, the Cash Management Agreement, the Swap Agreements, the Liquidity Facility Agreement, the Issuer Corporate Services Agreement, the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement, the Swiss Issuer Servicing Agreement, the Asset Transfer Agreements, the Share Declaration of Trust, and the Master Definitions and Construction Schedule (as defined below). Copies of the Note Trust Deed, the Agency Agreement, the Issuer Security Documents, the Depository Agreement, the Cash Management Agreement, the Swap Agreements, the Liquidity Facility Agreement, the Issuer Corporate Services Agreement, the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement, the Swiss Issuer Servicing Agreement, the Asset Transfer Agreements, the Share Declaration of Trust and the Master Definitions and Construction Schedule (as defined below) are available for inspection by the Noteholders during business hours at the registered office for the time being of the Note Trustee, being at the date hereof at 1 Great Winchester Street, London and at the specified office of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of and definitions contained in the Note Trust Deed, the Agency Agreement, the Depository Agreement, the Issuer Security Documents, Cash Management Agreement, the Swap Agreement, the Liquidity Facility Agreement, the Issuer Corporate Services Agreement, the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement the Swiss Issuer Servicing Agreement, the Asset Transfer Agreements, the Share Declaration of Trust, and a master definitions and construction schedule dated the Closing Date and signed for identification purposes only by Sidley Austin (the "**Master Definitions and Construction Schedule**", which expression includes such master definitions and construction schedule as from time to time modified in accordance with the provisions therein contained and any agreement, deed or other document expressed to be supplemental thereto as from time to time so modified).

The issue of the Notes was authorised by resolution of the board of directors of the Issuer passed on 16th March, 2006.

Capitalised terms used and not otherwise defined in these Conditions shall bear the meanings given to them in the Master Definitions and Construction Schedule.

1. Global Notes

(a) Rule 144A Global Notes

The Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes initially offered and sold in the United States of America (the "**United States**") to qualified institutional

buyers (as defined in Rule 144A (''**Rule 144A**'') under the United States Securities Act of 1933, as amended (the ''**Securities Act**'')) that are also ''qualified purchasers'' within the meaning of Section (2)(a)(51) of the Investment Company Act (the ''Qualified Purchasers'') and the rules thereunder, in reliance on Rule 144A will initially each be represented by a permanent global note in bearer form without any coupons attached (the ''**Class A1 Rule 144A Global Note**'', the ''**Class A2 Rule 144A Global Note**'', the ''**Class B Rule 144A Global Note**'', the ''**Class C Rule 144A Global Note**'', the ''**Class D Rule 144A Global Note**'', the ''**Class E Rule 144A Global Note**'', the ''**Class F Rule 144A Global Note**'', the ''**Class G Rule 144A Global Note**'' and the ''**Class H Rule 144A Global Note**'' respectively, and together the ''**Rule 144A Global Notes**''). The Rule 144A Global Notes will be deposited with or to the order of the Depository pursuant to the terms of the Depository Agreement. The Depository will issue (i) a certificated depository interest in respect of the Rule 144A Global Note of each class in the name of the Depository Trust Company (''**DTC**'') or its nominee.

(b) Regulation S Global Notes

The Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes initially offered and sold outside the United States to non-U.S. persons in reliance on Regulation S (''**Regulation S**'') under the Securities Act will initially be represented by one or more permanent global notes in bearer form for each class of Notes without any coupons attached (the ''**Class A1 Regulation S Global Note**'', the ''**Class A2 Regulation S Global Note**'', the ''**Class X Regulation S Global Note**'', the ''**Class B Regulation S Global Note**'', the ''**Class C Regulation S Global Note**'', the ''**Class D Regulation S Global Note**'', the ''**Class E Regulation S Global Note**'', the ''**Class F Regulation S Global Note**'', the ''**Class G Regulation S Global Note**'' and the ''**Class H Regulation S Global Note**'' respectively, and together the ''**Regulation S Global Notes**'' and, together with the Rule 144A Global Notes, the ''**Global Notes**''). The Regulation S Global Notes will each be deposited with or to the order of the Depository pursuant to the terms of the Depository Agreement. The Depository will issue a certificated depository interest in registered form in respect of each Regulation S Global Note in the name of Deutsche Bank AG, London Branch (the ''**Common Depositary**'') or BT Globenet Nominees Limited as nominee for the Common Depositary.

(c) Form and Title

Each Global Note shall be issued in bearer form without coupons or talons.

The Depository or its nominee shall, for so long as it is the holder of the Global Notes and except as otherwise required by law, be treated as its absolute owner for all purposes (including the making of any payments), regardless of any notice of ownership, theft or loss thereof, or of any trust or other interest therein or of any writing thereon.

Ownership of interests in the CDIs in respect of the Rule 144A Global Notes (''**Restricted Book-Entry Interests**'') will be limited to persons who have accounts with DTC and/or Euroclear and/or Clearstream, Luxembourg or persons who hold interests through such participants and who are qualified institutional buyers (as defined in Rule 144A) and qualified purchasers (within the meaning of section 2(a)(51) of the Investment Company Act and the rules thereunder) and have purchased such interest in reliance on Rule 144A or have purchased such interest in accordance with the restrictions legended on the Rule 144A Global Notes. Ownership of interests in the CDIs in respect of the Regulation S Global Notes (the ''**Unrestricted Book-Entry Interests**'' and, together with the Restricted Book-Entry Interests, the ''**Book-Entry Interests**'') will be limited to persons who have accounts with Euroclear and/or Clearstream, Luxembourg or persons who hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear Bank S.A./N.V. (as operator of the Euroclear System) (''**Euroclear**'', which term shall include any successor operator of the Euroclear System) and Clearstream Banking, société anonyme (''**Clearstream, Luxembourg**'', which term shall include any successor thereto) and their participants. Beneficial interests in a Regulation S CDI may not be held by a U.S. Person (as defined in Regulation S under the Securities Act) at any time.

2. Definitive Notes

(a) Issue of Definitive Notes

A Global Note will be exchanged for definitive Notes of the relevant class in registered form ("**Definitive Notes**") in an aggregate principal amount equal to the Principal Amount Outstanding (as defined in Condition 6(e)) of the relevant Global Note only if, 40 days or more after the Closing Date, any of the following circumstances apply:

(i) in the case of a Reg S Global Note or a Rule 144A Global Note in respect of which the Depository has issued a certificated depository interest to the Common Depositary (or its nominee) for their account, either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Note Trustee is in existence; or

(ii) in the case of a Rule 144A Global Note in respect of which the Depository has registered a certificated depository interest in the name of DTC or its nominee, DTC has notified the Issuer that it is unwilling or unable to continue as the holder with respect to such certificateless depository interest, or is at any time unwilling or unable to continue as, or ceases to be, a clearing agency registered under the Securities Exchange Act of 1934 of the United States of America (the "**Exchange Act**") and a successor to DTC registered as a clearing agency under the Exchange Act is not appointed by the Issuer within 90 days of such notification or cessation; or

(iii) the Depository notifies the Issuer at any time that it is unwilling or unable to continue as depository and a successor to the Depository previously approved by the Note Trustee in writing is not appointed by the Issuer within 60 days of such notification; or

(iv) as a result of any amendment to, or change in, the laws or regulations of Ireland or any other jurisdiction or any political sub-division thereof or of any authority therein or thereof having the power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required if the Notes were in definitive registered form.

If Definitive Notes are issued in accordance with the Note Trust Deed:

(i) the Book-Entry Interests represented by the Regulation S Global Note of each class shall be exchanged by the Issuer for Definitive Notes ("**Regulation S Definitive Notes**") of that class; and

(ii) the Book-Entry Interests represented by the Rule 144A Global Note of each class shall be exchanged by the Issuer for Definitive Notes ("**Rule 144A Definitive Notes**") of that class.

The aggregate principal amount of the Regulation S Definitive Notes and the Rule 144A Definitive Notes of each class to be issued will be equal to the aggregate Principal Amount Outstanding of the Regulation S Global Note or Rule 144A Global Note, as the case may be, at the date on which notice of such issue of Definitive Notes is given to the Noteholders for such class, subject to and in accordance with these Conditions, the Agency Agreement, the Note Trust Deed and such Global Note. In no event will Definitive Notes be issued in bearer form.

(b) Title to and Transfer of Definitive Notes

Title to a Definitive Note will pass upon registration in the register (the "**Register**") which the Issuer will cause to be kept by the Registrar at its specified office. Each Definitive Note will have a minimum original principal amount of €50,000 and will be serially numbered. A Definitive Note may be transferred in whole or in part provided that any partial transfer relates to an original principal amount of €50,000 upon surrender of such Definitive Note, at the specified office of the Registrar. In the case of a transfer of part only of a Definitive Note, a new Definitive Note in respect of the balance not transferred will be issued to the transferor. All transfers of Definitive Notes are subject to any restrictions on transfer set forth in such Definitive Notes and the detailed regulations concerning transfers set out in the Agency Agreement.

Each new Definitive Note to be issued upon the transfer, in whole or in part, of a Definitive Note will, within five Business Days (as defined in Condition 5(c)) of receipt of the Definitive Note to be transferred, in whole or in part, (duly endorsed for transfer) at the specified office of the Registrar, be available for delivery at the specified office of the Registrar or be posted at the risk of the holder entitled to such new Definitive Note to such address as may be specified in the form of transfer.

Registration of a Definitive Note on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other government charges which may be imposed in relation to it and, only if the relevant Definitive Note is presented or surrendered for transfer and endorsed or accompanied by a written instrument of transfer in form satisfactory to the Registrar duly executed by the transferor Noteholder (or his attorney duly authorised in writing) and upon receipt of such certificates and other documents as shall be necessary to evidence compliance with the restrictions on transfer contained in the relevant Definitive Note, the Note Trust Deed and the Agency Agreement.

No transfer of a Definitive Note will be registered in the period beginning 15 Business Days before, or ending on the fifth Business Day after, each Distribution Date.

For the purposes of these Conditions:

(i) the "**holder**" of a Note or "**Noteholder**" means (a) in respect of each Global Note, the bearer thereof, and (b) in respect of any Definitive Note issued under Condition 2(a) above, the person in whose name such Definitive Note is registered, subject as provided in Condition 7(b), and related expressions shall be construed accordingly; and

(ii) references herein to "**Notes**" shall include the Global Notes and the Definitive Notes.

3. Status, Security and Priority

(a) Status and relationship among the Notes

(i) The Notes constitute direct, secured and limited recourse obligations of the Issuer and are secured by the Issuer Security (as more particularly described in Condition 3(b) below). The Notes of each class rank *pari passu* and without preference or priority among the Notes of the same class.

(ii) Following the service of a Note Acceleration Notice (as defined in Condition 10(a)) or the Issuer Security otherwise becoming enforceable, the Class A1 Notes, the Class A2 Notes and the Class X Notes will rank *pari passu* and without preference or priority amongst themselves and will rank in priority to the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; the Class B Notes will rank in priority to the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; the Class C Notes will rank in priority to the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; the Class D Notes will rank in priority to the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes; the Class E Notes will rank in priority to the Class F Notes, the Class G Notes and the Class H Notes; the Class F Notes will rank in priority to the Class G Notes and the Class H Notes; the Class G Notes will rank in priority to the Class H Notes. Save as described in Condition 6, prior to the service of a Note Acceleration Notice or the Issuer Security otherwise being enforceable certain payments will be subordinated as follows: repayments of principal and payments of interest on the Class H Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes; repayments of principal and payments of interest on the Class G Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes; repayments of principal and payments of interest on the Class F Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; repayments of principal and payments of interest on the Class E Notes will be

subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes and the Class D Notes; repayments of principal and payments of interest on the Class D Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes and the Class C Notes; repayments of principal and payments of interest on the Class C Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, the Class X Notes and the Class B Notes; repayments of principal and payments of interest on the Class B Notes will be subordinated to repayments of principal and payments of interest on the Class A1 Notes, the Class A2 Notes, and the Class X Notes. Prior to the service of a Note Acceleration Notice or the Issuer Security otherwise being enforceable, the Class A1 Notes, the Class A2 Notes and the Class X Notes will rank *pari passu* and without preference or priority amongst themselves as to payments of interest and will, except as provided in Condition 6(b) and (c), rank *pari passu* and without preference or priority amongst themselves as to repayments of principal.

(iii) The Note Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the holders of the Class A1 Notes, the Class A2 Notes, the Class X Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes equally as regards all powers, trusts, authorities, duties and discretions of the Note Trustee (except where expressly provided otherwise); provided that: (a) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class A1 Noteholders (for so long as there are any Class A1 Notes outstanding) on the one hand and the interests of the Class A2 Noteholders and/or the Class X Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall have regard only to the interests of the Class A1 Noteholders; (b) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class A2 Noteholders (for so long as there are any Class A2 Notes outstanding) on the one hand and the interests of the Class X Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a) above, have regard only to the interests of the Class A2 Noteholders; (c) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class X Noteholders (for so long as there are any Class X Notes outstanding) on the one hand and the interests of the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a) and (b) above, have regard only to the interests of the Class X Noteholders; (d) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class B Noteholders (for so long as there are any Class B Notes outstanding) on the one hand and the interests of the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b) and (c) above, have regard only to the interests of the Class B Noteholders; (e) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class C Noteholders (for so long as there are any Class C Notes outstanding) on the one hand and the interests of the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b), (c) and (d) above, have regard only to the interests of the Class C Noteholders; (f) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class D Noteholders (for so long as there are any Class D Notes outstanding) on the one hand and the interests of the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b), (c), (d) and (e) above, have regard only to the interests of the Class D

Noteholders; (g) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class E Noteholders (for so long as there are any Class E Notes outstanding) on the one hand and the interests of the Class F Noteholders and/or the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b), (c), (d), (e) and (f) above, have regard only to the interests of the Class E Noteholders; (h) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class F Noteholders (for so long as there are any Class F Notes outstanding) on the one hand and the interests of the Class G Noteholders and/or the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b), (c), (d), (e), (f) and (g) above, have regard only to the interests of the Class F Noteholders; (i) if, in the opinion of the Note Trustee, there is a conflict between the interests of the Class G Noteholders (for so long as there are any Class G Notes outstanding) on the one hand and the interests of the Class H Noteholders on the other hand, the Note Trustee shall, subject to (a), (b), (c), (d), (e), (f), (g) and (h) above, have regard only to the interests of the Class G Noteholders; but so that this proviso shall not apply in the case of any powers, trusts, authorities, duties or discretions of the Note Trustee in relation to which it is expressly stated that they may be exercised by the Note Trustee only if in its opinion the interests of the Noteholders of each class would not be materially prejudiced thereby. Except where expressly provided otherwise, so long as any of the Notes remain outstanding, the Issuer Security Trustee is not required to have regard to the interests of any other persons entitled to the benefit of the Issuer Security.

(iv) The Note Trust Deed contains provisions limiting the powers of (a) the Class B Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or to pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders or the Class A2 Noteholders, (b) the Class C Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders or the Class B Noteholders, (c) the Class D Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders or the Class C Noteholders, (d) the Class E Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders the Class B Noteholders, the Class C Noteholders or the Class D Noteholders, (e) the Class F Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders or the Class E Noteholders, (f) the Class G Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders or the Class F Noteholders, (g) the Class H Noteholders, *inter alia*, to request or direct the Note Trustee to take any action or pass an Extraordinary Resolution which may affect the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Class G Noteholders; in each case, subject as provided in the Note Trust Deed. Except in certain circumstances as set out in the Note Trust Deed, the Note Trust Deed contains no such limitation on the powers of the Class A1 Noteholders and the Class A2 Noteholders, the exercise of which powers will be binding on the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(b). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class B Noteholders will be binding on the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided

below in Condition 12 (c). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class C Noteholders will be binding on the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(d). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class D Noteholders will be binding on the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(e). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class E Noteholders will be binding on the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(f). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class F Noteholders will be binding on the Class G Noteholders and the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(g). Except in certain circumstances as set out in the Note Trust Deed, the exercise of their powers by the Class G Noteholders will be binding on the Class H Noteholders, irrespective of the effect thereof on their interests subject as provided below in Condition 12(h). The Class X Noteholders have no power to request or direct the Note Trustee to take any action or to pass an Extraordinary Resolution; however, Noteholders of the other classes of Notes are restricted, pursuant to Condition 12(j), in their ability to pass or sanction a modification of the Note Trust Deed, these Conditions, or any of the Transaction Documents which would, in the opinion of the Note Trustee, be materially prejudicial to the interests of Class X Noteholders, except as provided in Condition 12(j).

(b) Security and Priority of Payments

The security interests granted in respect of the Notes are set out in (i) the Deed of Charge and Assignment governed by English law, (ii) the German Security Agreement governed by German law, (iii) the Luxembourg Security Agreement governed by Luxembourg law and (iv) the Swiss Security Agreement governed by Swiss law, each of which will be entered into on the Closing Date.

Pursuant to the Issuer Security Documents, the Issuer will grant the Issuer Security in favour of the Issuer Security Trustee for itself and on trust for the Noteholders and the Issuer Related Parties (the Issuer Security Trustee and all of such persons being collectively, the "**Issuer Secured Creditors**").

Pursuant to the Deed of Charge and Assignment, the Issuer with full title guarantee has created the following security (the "**Issuer English Security**") in favour of the Issuer Security Trustee for itself and on trust for the other Issuer Secured Creditors:

(i) an assignment by way of first-ranking security of the Issuer's rights, title, interest and benefit, present and future, in, to and under, *inter alia*, the Issuer Servicing Agreement, the Cash Management Agreement, the Agency Agreement, the Exchange Agency Agreement (other than any other Issuer Security Document or any Swiss Issuer Transaction Document), the Liquidity Facility Agreement, the Swap Agreements, the Depository Agreement, the Note Trust Deed, the Exchange Agency Agreement, the Issuer Corporate Services Agreement, the Inter-company Loan Agreements, the Asset Transfer Agreements and any other contractual agreements entered into by the Issuer;

(ii) a fixed first charge over the Issuer's rights, title, interest and benefit, present and future, in, to and under the Issuer Transaction Account, the Stand-by Account and (if opened) the Swap Collateral Cash Account and the Swap Collateral Custody Account and any other bank or securities account in England and Wales in which the Issuer may place and hold its cash or securities resources, and in the funds or securities from time to time standing to the credit of such accounts and in the debts represented thereby;

(iii) a first fixed charge in and to the Issuer's rights, title, interest and benefit present and future, in, to and under the German Loans, the Dutch Loan and Eligible Investments and all monies, income and proceeds payable thereunder or accrued thereon and the benefit of all covenants relating thereto and all rights and remedies enforcing the same; and

(iv) a first-ranking floating charge governed by English law over the whole of the undertaking and assets of the Issuer, present and future (other than any property or assets of the Issuer subject to the assignments by way of security and the fixed charges set out in paragraphs (i) to (iii) above and other than property or assets subject to the security constituted by the other Issuer Security Documents).

The floating charge created under the Deed of Charge and Assignment is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act of 1986.

Pursuant to the German Security Agreement, the Issuer has created the following security (the "**Issuer German Security**") in favour of the Issuer Security Trustee for itself and as agent for the other Issuer Secured Creditors: a first ranking assignment of its rights against the German Security Trustee to receive the proceeds of enforcement of the non-accessory security rights (*nicht akzessorische Sicherheiten*) comprised in that portion of the German Related Security (other than the ATU Related Security) governed by German law, being the mortgages and the German assignments relating to the relevant German Properties.

Pursuant to the Luxembourg Security Agreement, the Issuer will grant a first ranking pledge of the ATU Note and all the rights relating thereto to the Issuer Security Trustee (the "**Issuer Luxembourg Security**").

Pursuant to the Swiss Security Agreement, the Issuer will grant a first ranking pledge of the Swiss Note and all the rights relating thereto to the Issuer Security Trustee (the "**Issuer Swiss Security**" and together with the Issuer English Security, the Issuer Dutch Security, the Issuer German Security and the Issuer Luxembourg Security the "**Issuer Security**").

The Cash Management Agreement contains provisions regulating the priority of application of the Issuer Security (and the proceeds thereof) by the Cash Manager among the persons entitled thereto prior to the service of a Note Acceleration Notice or the Issuer Security otherwise becoming enforceable and the Deed of Charge and Assignment contains provisions regulating such application by the Issuer Security Trustee after the service of a Note Acceleration Notice or the Issuer Security becoming otherwise enforceable.

If the Issuer Security has become enforceable otherwise than by reason of a default in payment of any amount due on the Notes, the Issuer Security Trustee will not be entitled to dispose of the undertaking, property or assets secured under the Issuer Security or any part thereof or otherwise realise the Issuer Security unless (i) a sufficient amount would be realised to allow discharge in full of all amounts owing to the Noteholders and any amounts required under the Deed of Charge and Assignment to be paid *pari passu* with, or in priority to, the Notes, or (ii) the Issuer Security Trustee is of the opinion, which shall be binding on the Noteholders, reached after considering at any time and from time to time the advice of such professional advisors as are selected by the Issuer Security Trustee, upon which the Issuer Security Trustee shall be entitled to rely, that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts owing to the Noteholders and any amounts required under the Deed of Issuer Security Documents to be paid *pari passu* with, or in priority to, the Notes, or (iii) the Issuer Security Trustee considers, in its discretion, that not to effect such disposal or realisation would place the Issuer Security in jeopardy, and, in any event, the Issuer Security Trustee has been indemnified and/or secured to its satisfaction.

If the net proceeds of realisation of, or enforcement with respect to, the Issuer Security are not sufficient to make all payments due in respect of the Notes, the other assets (if any) of the Issuer will not be available for payment of any shortfall arising therefrom, and any such shortfall will be borne among the Issuer Secured Creditors and amongst the Noteholders as provided in the Deed of Charge and Assignment. All claims in respect of such shortfall, after realisation of or enforcement with respect to all of the Issuer Security, will be extinguished and the Note Trustee, the Noteholders and the other Issuer Secured Creditors will have no further claim against the Issuer in respect of such unpaid amounts. Each Noteholder, by subscribing for or purchasing Notes, is deemed to accept and acknowledge that it is fully aware that:

(i) in the event of realisation or enforcement of the Issuer Security, its right to obtain payment of interest and repayment of principal on the Notes in full is limited to recourse against the undertaking, property and assets of the Issuer comprised in the Issuer Security; and

(ii) the Issuer will have duly and entirely fulfilled its payment obligations by making available to such Noteholder its proportion of the proceeds of realisation or enforcement of the Issuer Security in accordance with the payment priorities of the Deed of Charge and Assignment and all claims in respect of any shortfall will be extinguished.

4. Covenants

(a) Restrictions

Save with the prior written consent of the Note Trustee or unless otherwise provided in or envisaged by these Conditions or the Transaction Documents, the Issuer shall, so long as any Note remains outstanding:

(i) Negative Pledge

not create or permit to subsist any mortgage, sub-mortgage, assignment, charge, sub-charge, pledge, lien (unless arising by operation of law), hypothecation, assignment by way of security or any other security interest whatsoever over any of its assets, present or future, (including any uncalled capital);

(ii) Restrictions on Activities

(A) not engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in;

(B) not have any subsidiaries or any employees or own, rent, lease or be in possession of any buildings or equipment; or

(C) not amend, supplement or otherwise modify its memorandum or articles of association or other constitutive documents;

(D) engage, or permit any of its affiliates, to engage, in any activities in the United States (directly or through agents), derive, or permit any of its affiliates to derive, any income from sources within the United States as determined under United States federal income tax principles, and hold, or permit any of its affiliates to hold, any mortgaged property that would cause it or any of its affiliates to be engaged or deemed to be engaged in a trade or business within the United States as determined under United States federal income tax principles;

(iii) Taxation

not prejudice its status as a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997 of Ireland, as amended, or make an election pursuant to subsection (6)(b) of that section;

(iv) VAT

not apply to become part of any group for the purposes of section 8 of the Value Added Tax Act 1972 of Ireland, as amended, with any other company or group of companies;

(v) Audited financial statements

ensure that a note of profits as calculated under Irish GAAP as it existed at 31st December 2004 will be included in its audited financial statements;

(vi) Disposal of Assets

not transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets or undertaking or any interest, estate, right, title or benefit therein other than as expressly contemplated by the Transaction Documents, provided that the Issuer shall have the right to sell or agree to the sale of the Issuer Assets:

(A) such sale, realisation or disposal is made with the prior written consent of the Issuer Security Trustee;

(B) in the case of a sale, realisation or disposal of part only of the Issuer Assets, such sale, realisation or disposal is being made only for the purposes of, and in connection with, a redemption of the Notes pursuant to Condition 6;

(C) such sale, realisation or disposal is made for an amount which is not less than the aggregate outstanding principal amount of the Issuer Assets disposed of; and

(D) the amount which would be payable to the Issuer from such sale, realisation or disposal would be sufficient, after deducting any costs and expenses incurred by the Issuer or the Issuer Security Trustee in connection with such sale, realisation or disposal, to enable the Issuer to pay or discharge all of the Issuer Secured Obligations in full;

(vii) Dividends or Distributions

not pay any dividend or make any other distribution to its shareholders or issue any further shares except the Issuer's Profit paid to Issuer's shareholders pursuant to the Cash Management Agreement;

(viii) Borrowings

not incur or permit to subsist any indebtedness in respect of borrowed money whatsoever, except in respect of the Notes, or the Liquidity Facility Agreement or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any person;

(ix) Merger

not consolidate or merge with any other person or convey or transfer all or substantially all of its property or assets to any other person;

(x) Variation

not permit any of the Transaction Documents to become invalid or ineffective, or the priority of the security interests created thereby to be reduced, amended, terminated, postponed or discharged, or consent to any variation of, or exercise any powers of consent or waiver pursuant to the terms of the Note Trust Deed, these Conditions, the Issuer Security Documents or any of the other Transaction Documents, or permit any party to any of the Transaction Documents or the Issuer Security or any other person whose obligations form part of the Issuer Security to be released from such obligations or dispose of all or any part of the Issuer Security;

(xi) Bank accounts

not have an interest in any bank account other than the Issuer Transaction Account, the Stand-by Account and the Issuer's share capital account, unless such account or interest therein is charged or security is otherwise provided to the Issuer Security Trustee on terms acceptable to it;

(xii) Assets

not own assets other than those representing its share capital, the funds arising from the issue of the Notes, the property, rights and assets secured by the Issuer Security and associated and ancillary rights and interests thereto, the benefit of the Transaction Documents and any investments and other rights or interests created or acquired thereunder, as all of the same may vary from time to time;

(xiii) Equitable Interest

not permit any person other than the Issuer and the Issuer Security Trustee to have any equitable interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein except as otherwise provided for in the Transaction Documents;

(xiv) U.S. Activities

not engage in any activities in the United States (directly or through agents) or derive any income from United States sources as determined under United States income tax principles or hold any property if doing so would cause it to be engaged or deemed to be engaged in a trade or business within the United States as determined under United States tax principles;

(xv) Purchase of Notes

not purchase any of the Notes;

(xvi) Business Establishment

not have any other business establishment or other fixed establishment other than in Ireland; and

(xvii) Centre of Main Interests

conduct its business and affairs such that, at all times, its centre of main interests for the purposes of the EU Insolvency Regulation (EC) No. 1346/2000 of 29th May 2000 shall be and remain in Ireland.

In giving any consent to the foregoing, the Note Trustee may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Note Trustee may deem expedient (in its absolute discretion) in the interests of the Noteholders.

(b) Cash Manager and Issuer Servicer

So long as any of the Notes remains outstanding, the Issuer will procure that there will at all times be a cash manager in respect of the monies from time to time standing to the credit of the Issuer Transaction Account and any other account of the Issuer from time to time and an Issuer Servicer in respect of the Issuer Assets. None of the Cash Manager or the Issuer Servicer will be permitted to terminate its appointment unless a replacement cash manager or Issuer Servicer, as the case may be, acceptable to the Issuer and the Issuer Security Trustee has been appointed.

5. Interest

(a) Period of Accrual

Each Note bears interest on its Principal Amount Outstanding from (and including) the Closing Date. Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption unless, in the case of a Global Note, upon due presentation, or otherwise in the case of a Definitive Note, payment of the relevant amount of principal or any part thereof is improperly withheld or refused on any Global Note or Definitive Note, as applicable. Where such principal is improperly withheld or refused on any Note, interest will continue to accrue thereon (before as well as after any judgment) at the rate applicable to such Note up to (but excluding) the date on which payment in full of the relevant amount of principal, together with the interest accrued thereon, is made or (if earlier) the 7th day after notice is duly given to the holder thereof (either in accordance with Condition 15 or individually) that, upon presentation thereof being duly made, in the case of a Global Note, or otherwise in the case of a Definitive Note, such payment will be made, provided that upon presentation thereof being duly made, payment is in fact made.

Whenever it is necessary to compute an amount of interest for any period (including any Interest Period (as defined below)), such interest shall be calculated on the basis of actual days elapsed and a 360 day year.

(b) Distribution Dates and Interest Periods

Interest on the Notes is payable quarterly in arrear on the 27th day of January, April, July and October in each year (or, if such day is not a Business Day, the next following Business Day unless such Business Day falls in the next following calendar month in which event the immediately preceding Business Day) (each a "**Distribution Date**") in respect of the Interest Period ending immediately prior thereto. The first Distribution Date in respect of each class of Notes will be the Distribution Date falling in April 2006 in respect of the period from (and including) the Closing Date to (but excluding) that Distribution Date.

In these Conditions, "**Interest Period**" shall mean the period from (and including) a Distribution Date (or, in respect of the payment of the first Interest Amount (as defined in Condition 5(d) below), the "Closing Date") to (but excluding) the next following (or first) Distribution Date.

Subject to Condition 10 and for so long as any Class A1 Note, Class A2 Note and/or Class X Note is outstanding, in the event that on any Distribution Date there are insufficient Available Funds, after deducting the amounts ranking in priority thereto in accordance with the Pre-Enforcement Priority of Payments (each such available amount with respect to the relevant class of Notes, an "**Interest Residual Amount**"), to satisfy in full the Interest Amount due and, subject to this Condition, payable on the Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes and Class H Notes respectively, on such Distribution Date, there

shall instead be payable on such Distribution Date, by way of interest on each Class B Note and/or Class C Note and/or Class D Note and/or Class E Note and/or Class F Note and/or Class G Note and/or Class H Note as the case may be, only a ***pro rata*** share of the amount available to be applied in payment of amounts due on that particular class of Notes on such Distribution Date. The amount payable shall be calculated by dividing the original principal amount of each such Class B Note, Class C Note, Class D Note, Class E Note, Class F Note, Class G Note or Class H Note as the case may be, by the aggregate principal amount of Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class H Notes as at the Closing Date, as the case may be, and multiplying the result by the relevant Interest Residual Amount, and then rounding down to the nearest 0.01 euro.

In any such event the Issuer shall in respect of the Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes and Class H Notes, create a provision in its accounts for the shortfall equal to the amount by which the aggregate amount of interest paid on the Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class H Notes, as the case may be, on any Distribution Date in accordance with this Condition falls short of the Interest Amount due on the Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes or Class H Notes, as the case may be, on that date pursuant to this Condition. Such shortfall shall itself accrue interest at the same rate as that payable in respect of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes, Class G Notes or Class H Notes as applicable, and shall be payable together with such accrued interest on the earlier of (a) any succeeding Distribution Date when any such unpaid interest and accrued interest thereon shall be paid, but only if and to the extent that, on such Distribution Date, there are sufficient Available Funds, after deducting amounts ranking in priority to the relevant class of Notes in accordance with the Pre-Enforcement Priority of Payments and (b) the date on which the relevant Notes are due to be redeemed in full.

(c) Rate of Interest

(i) The rate of interest payable from time to time in respect of each class of Notes (other than the Class X Notes) (each a ''**Rate of Interest**'' and together the ''Rates of Interest'') will be determined by the Agent Bank on the basis of the following provisions.

The Agent Bank will at, or as soon as practicable after, 11.00 a.m. (London time) two TARGET Business Days prior to the first day of the Interest Period for which the rate will apply (each an ''**Interest Determination Date**''), determine the Rate of Interest applicable to, and calculate the amount of interest payable on each of the Notes (other than the Class X Notes), for the Interest Period commencing two TARGET Business Days after such Interest Determination Date. The Rate of

Interest applicable to the Notes of each class (other than the Class X Notes) for any Interest Period will be equal to (A) EURIBOR (as determined in accordance with this Condition 5(c)), (B), plus, the Relevant Margin.

For the purposes of determining the Rate of Interest in respect of the Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes, Class G Notes and Class H Notes, EURIBOR will be determined by the Agent Bank on the basis of the following provisions:

(A) on each Interest Determination Date, the Agent Bank will determine at or about 11.00 a.m. (Brussels time) on such date the interest rate for three month euro deposits in the Eurozone inter-bank market which appears on Moneyline/Telerate Screen No. 248 (the ''**EURIBOR Screen Rate**'') (or, in respect of the first such Interest Period, a linear interpolation of the rate for one month and two month euro deposits) (or (i) such other page as may replace Moneyline/Telerate Screen No. 248 on that service for the purpose of displaying such information or (ii) if that service ceases to display such information, such page as displays such information on such equivalent service (or, if more than one, that one which is approved by the Note Trustee) as may replace the Moneyline/Telerate Monitor); or

(B) if the EURIBOR Screen Rate is not then available, the arithmetic mean (rounded to five decimal places, 0.000005 rounded upwards) of the rates notified to the Agent Bank at its request by each of four euro reference banks duly appointed for such purpose (the ''**Euro Reference Banks**'') as the rate at which three month deposits in euro are offered for the same period as that Interest Period by those Euro Reference Banks to prime

banks in the Eurozone inter-bank market at or about 11.00 a.m. (Brussels time) on that date (or, in respect of the first Interest Period, the arithmetic mean of a linear interpolation of the rates for one and two month euro deposits notified by the Euro Reference Banks). If, on any such Interest Determination Date, at least two of the Euro Reference Banks provide such offered quotations to the Agent Bank the relevant rate shall be determined, as aforesaid, on the basis of the offered quotations of those Euro Reference Banks providing such quotations. If, on any such Interest Determination Date, only one of the Euro Reference Banks provides the Agent Bank with such an offered quotation, the Agent Bank shall forthwith consult with the Note Trustee and the Issuer for the purposes of agreeing one additional bank to provide such a quotation or quotations to the Agent Bank (which bank is in the sole opinion of the Note Trustee suitable for such purpose) and the rate for the Interest Period in question shall be determined, as aforesaid, on the basis of the offered quotations of such banks as so agreed. If no such bank or banks is or are so agreed or such bank or banks as so agreed does not or do not provide such a quotation or quotations, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to five decimal places, 0.000005 being rounded upwards) of the rates quoted by major banks in the Eurozone, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the Closing Date or the relevant Interest Determination Date, as the case may be, for loans in euro to leading European banks for a period of three months or, in the case of the first Interest Period, the same as the relevant Interest Period.

For the purposes of these Conditions, ''**Eurozone**'' means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25th March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7th February 1992) and the Treaty of Amsterdam (signed in Amsterdam on 2nd October 1997).

''Business Day'' means a day (other than a Saturday or a Sunday) on which banks are open for business in London, Los Angeles, New York and Dublin and which is a TARGET Business Day. ''**TARGET Business Day**'' means a day on which the Trans-European Automated Real-Time Gross Settlement Express System settles payments in euro.

For the purposes of these Conditions, ''**Relevant Margin**'' means, with respect to each class of Notes (other than the Class X Notes):

Class A1 Notes: 0.20 per cent. per annum

Class A2 Notes: 0.27 per cent. per annum

Class B Notes: 0.40 per cent. per annum

Class C Notes: 0.62 per cent. per annum

Class D Notes: 0.70 per cent. per annum

Class E Notes: 0.95 per cent. per annum

Class F Notes: 1.15 per cent. per annum

Class G Notes: 2.25 per cent. per annum

Class H Notes: 3.50 per cent. per annum

Interest on the Class H Notes for any Distribution Date will be limited, in accordance with Condition 5(c)(iii), to an amount equal to the lesser of (a) the Interest Amount payable in respect of such class for that Distribution Date and (b)(i) the Available Funds for that Distribution Date minus (ii) the sum (without duplication) of all amounts payable out of Available Funds on such Distribution Date in priority to the payment of interest on such class of Notes. If the difference between the Interest Amount and the Adjusted Interest Amount applicable to the Class H Notes is attributable to a reduction in the interest-bearing balances of the Loans as a result of any repayments and/or prepayments howsoever arising on the Loans, the amounts of interest that would otherwise be represented by such difference will be extinguished on such Distribution Date, and the affected Noteholders will have no claim against the Issuer in respect thereof.

(ii) The rate of interest applicable to the Class X Notes for any Interest Period will be the Class X Interest Rate as calculated on each Determination Date. The ''**Class X Interest Rate**'' for any Interest Period is the percentage rate calculated as follows: the product of: (a) the outstanding principal balance of the Loans as at the first day of the relevant

Interest Period and (b) the Class X Weighted Average Strip Rate, divided by the Principal Amount Outstanding of the Class X Notes as at the first day of the applicable Interest Period.

"**Collection Period**" means a period beginning on and including a Determination Date (or, in the case of the first Collection Period, the Closing Date) and ending on the Business Day immediately preceding the next Determination Date.

The "**Class X Weighted Average Strip Rate**" with respect to any Distribution Date will be a per annum rate equal to the excess, if any, of (a) the Weighted Average Net Mortgage Rate for the preceding Interest Period over (b) the weighted average of the rates of interest (based on the assumption that each class of Notes (other than the Class X Notes) will be paid interest at its Relevant Margin) as at such Distribution Date (weighted on the basis of the respective Principal Amount Outstanding of such Notes (less any NAI Amounts applied thereto) immediately prior to the related Distribution Date) provided that the Class X Weighted Average Strip Rate will never be less than zero.

The "**Weighted Average Net Mortgage Rate**" with respect to any Distribution Date will be equal to the weighted average of the Net Mortgage Rates for the Loans weighted on the basis of their respective principal balances as at the beginning of the applicable Interest Period after taking into account any write-offs of principal realised in respect of the Loans during the Collection Period immediately preceding the last day of the relevant Interest Period, or in the case of the first Distribution Date, the Closing Date.

The "**Net Mortgage Rate**" for any Loan, with respect to any Distribution Date, will be equal to the per annum interest rate (excluding default interest) on such Loan (which rate of interest shall be determined to reflect any Swap Transaction or other hedging transaction entered into in respect of such Loan) less the Administrative Cost Rate.

The "**Administrative Cost Rate**" is equal to a variable rate, which, as at any Distribution Date, is the percentage equal to the product of: (a) 360 and (b) the fraction obtained by dividing: (i) the Administrative Cost Factor by (ii) the actual number of days in the relevant Interest Period for such Distribution Date. The Administrative Cost Rate represents as of any date of calculation, the per annum rate at which Administrative Costs for any Interest Period accrue against the outstanding principal balance of the Issuer Assets.

The "**Administrative Cost Factor**" is, as at any Distribution Date, equal to the percentage obtained by dividing: (a) the Administrative Costs for such Distribution Date by (b) the outstanding principal balance of the Loans immediately after the second preceding Dutch Loan Interest Payment Date or German Loan Interest Payment Date or Swiss Loan Interest Payment Date, as applicable, immediately preceding such Distribution Date.

The "**Administrative Costs**" for any Distribution Date will be sum of the Issuer Administrative Costs, the ATU Issuer Administrative Costs and the Swiss Issuer Administrative Costs in respect of such Distribution Date. Administrative Costs do not include extraordinary, non-recurring fees, costs and expenses such as Liquidity Drawings, any swap breakage costs payable by the Issuer under the Swap Agreement, to the extent that a corresponding Break Adjustment is not paid by a Borrower, any amounts payable by the Issuer to the Issuer Special Servicer or the ATU Issuer to the ATU Special Servicer or the Swiss Issuer to the Swiss Issuer Special Servicer, any fees payable by the Issuer to the Issuer Servicer (other than Issuer Servicing Fees), any fees payable by the ATU Issuer to the ATU Issuer Servicer (other than ATU Issuer Servicing Fees), any fees payable by the Swiss Issuer to the Swiss Issuer Servicer (other than Swiss Issuer Servicing Fees) or Property Protection Advances made by the Issuer Servicer or the Issuer Special Servicer or the ATU Servicer or the ATU Special Servicer, or the Swiss Issuer Servicer or the Swiss Issuer Special Servicer.

The "**Issuer Administrative Costs**" for any Distribution Date will be the ordinary, recurring fees that will be accrued and due on such Distribution Date with respect to the Notes and payable by the Issuer to the following: (a) the Issuer Servicer (which fee is limited to the Issuer Servicing Fee) (b) the Note Trustee and the Issuer Security Trustee, (c) the Operating Bank, (d) the Principal Paying Agent, (e) the Agent Bank, (f) the Common Depositary, (g) the Cash Manager, (h) the Depository, the Exchange Agent and the Registrar, (i) the Irish Paying Agent, (j) the Issuer Corporate Services Provider, (k) the Issuer's directors and the advisors, accountants or auditors appointed by the Issuer or its directors, (l) the Liquidity Facility Provider (which fee does not include fees relating to any drawings actually made), (m) the Rating Agencies, (n) the stock

exchange where the Notes are listed and (o) the Issuer's Profit plus, in each case, VAT thereon, if applicable.

The "**ATU Issuer Administrative Costs**" for any Distribution Date will be:

(a) prior to any exercise by the Issuer of its loan conversion option in respect of the ATU Note, the ordinary recurring fees that will have been accrued and due on the immediately preceding ATU Note Interest Payment Date with respect to the ATU Note and payable by the ATU Issuer to the following: (i) the ATU Issuer Servicer (which fee is limited to the ATU Issuer Servicing Fee); (ii) the ATU Issuer Corporate Services Provider; (iii) the ATU Issuer Note Trustee; (iv) the ATU Issuer Security Trustee; (v) the ATU Issuer Operating Bank; (vi) the ATU Issuer Paying Agent; (vii) the ATU Issuer Registrar; and (viii) the ATU Issuer's directors, shareholders and advisors, accountants or auditors appointed by the ATU Issuer or its directors plus, in each case VAT thereon, if applicable; and

(b) following any exercise by the Issuer of its loan conversion option in respect of the ATU Note, the ordinary recurring fees that will have been accrued and due on the immediately preceding ATU Loan Interest Payment Date with respect to the ATU Loan and payable by the Issuer to the ATU Issuer Servicer (which fee is limited to the ATU Issuer Servicing Fee) plus VAT thereon, if applicable.

The "**Swiss Issuer Administrative Costs**" for any Distribution Date will be the ordinary recurring fees that will have been accrued and due on the immediately preceding Swiss Note Interest Payment Date with respect to the Swiss Note and payable by the Swiss Issuer to the following: (a) the Swiss Issuer Servicer (which fee is limited to the Swiss Issuer Servicing Fee); (b) the Swiss Issuer Corporate Services Provider; (c) the Swiss Issuer Operating Bank; and (d) the Swiss Issuer's directors, shareholders and advisors, accountants or auditors appointed by the Swiss Issuer or its directors plus, in each case VAT thereon, if applicable.

(iii) The interest due and payable in respect of the Class H Notes is subject, on any Distribution Date, to a maximum amount equal to the lesser of (a) the Interest Amount (as defined in Condition 5(d)) in respect of the Class H Note for such Distribution Date, and (b) the amount (the "**Adjusted Interest Amount**") equal to (i) the Available Funds in respect of such Distribution Date (including, for avoidance of doubt, the amount available for drawing by way of Liquidity Drawings under the Liquidity Facility Agreement on such Distribution Date, other than Liquidity Drawings to be advanced pursuant to the Inter-company Loan Agreement) minus (ii) the sum of all amounts payable out of Available Funds on such Distribution Date in priority to the payment of interest on the Class H Notes in accordance with the Deed of Charge and Assignment.

If the difference between the Interest Amount and the Adjusted Interest Amount applicable to the Class H Notes is attributable to a reduction in the interest-bearing balances of the Loans as a result of repayments and/or prepayments on the Loans, the amounts of interest that would otherwise be represented by such difference will be extinguished on such Distribution Date, and the affected Noteholders will have no claim against the Issuer in respect thereof.

(d) Determination of Rates of Interest and Calculation of Interest Amounts for Notes

The Agent Bank shall, on or as soon as practicable after each Interest Determination Date, but in no event later than the first day of the relevant Interest Period (save in relation to the Class X Notes), notify the Issuer, the Note Trustee, the Cash Manager and the Paying Agents in writing of (i) the Rates of Interest and the Class X Interest Rate applicable to the Interest Period immediately following such Interest Determination Date, in respect of the Notes of each class and (ii) the amount of interest (the "**Interest Amount**") payable, subject to Condition 5(b), in respect of such Interest Period in respect of the Notes of each class and (iii) the Class X Weighted Average Strip Rate and each Note Factor (as defined in Condition 6(e)). Each Interest Amount in respect of the Notes of each class shall be calculated by applying the relevant Rate of Interest (or in the case of the Class X Notes, the Class X Interest Rate) to the Principal Amount Outstanding of the relevant class of Notes (less any NAI Amounts applied thereto) and multiplying such sum by the actual number of days in the relevant Interest Period divided by 360 and rounding the resultant figure downward to the nearest cent.

(e) Publication of Rates of Interest, Interest Amounts and other Notices

As soon as practicable after receiving notification thereof, the Issuer will cause the Rate of Interest and the Class X Interest Rate and the Interest Amount applicable to the Notes of each class for each Interest Period and the Distribution Date in respect thereof to be notified in writing to the Irish Stock Exchange Limited (the "**Irish Stock Exchange**") (for so long as the Notes are listed on the Irish Stock Exchange) and will cause notice thereof to be given to the relevant class of Noteholders in accordance with Condition 15. The Interest Amounts, Distribution Date and other determinations so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the Interest Period for the Notes.

(f) Determination and/or Calculation by the Note Trustee

If the Agent Bank does not at any time for any reason determine the Rate of Interest or, as the case may be, the Class X Interest Rate and/or calculate the Interest Amount for any class of the Notes and/or make any other necessary calculations in accordance with the foregoing Conditions, the Note Trustee shall (or shall appoint an agent, on its behalf to do so) (i) determine the Rate of Interest or, as the case may be, the Class X Interest Rate at such rate as is, in its absolute discretion (having such regard as it shall think fit to the procedure described above), it shall deem fair and reasonable in all the circumstances, and/or (as the case may be), (ii) calculate the Interest Amount for each class of the Notes in the manner specified in Condition 5(d), the Class X Weighted Average Strip Rate and/or (as the case may be), (iii) calculate each Note Factor in the manner described in Condition 6(e) and any such determination and/or calculation shall be deemed to have been made by the Agent Bank and the Note Trustee shall have no liability in respect thereof.

(g) Notifications to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition, whether by the Euro Reference Banks (or any of them) or the Agent Bank or the Note Trustee shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Reference Banks, the Agent Bank, the Note Trustee, the Issuer Servicer, the Issuer Special Servicer, the Cash Manager, the Paying Agents and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Noteholders shall attach to the Issuer, the Euro Reference Banks, the Agent Bank or the Note Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

(h) Reference Banks and Agent Bank

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall, at all times, be four Reference Banks and an Agent Bank. In the event of the principal London office of any such bank being unable or unwilling to continue to act as a Reference Bank, the Agent Bank shall appoint such other bank as may have been previously approved in writing by the Note Trustee to act as such in its place. Any purported resignation by the Agent Bank shall not take effect until a successor so approved by the Note Trustee has been appointed.

(i) Non-payment of Interest

For the avoidance of doubt, there shall be no Note Event of Default caused by reason only of the non-payment when due of interest (a) on the Class X Notes (even if the Class X Notes are the most senior class of Notes then outstanding) or (B) on any other class of Notes other than for non-payment of interest on the most senior class of Notes then outstanding.

6. Redemption and Cancellation

(a) Final Redemption

Unless previously redeemed in full and cancelled as provided in this Condition 6, the Issuer shall redeem the Notes at their Principal Amount Outstanding together with accrued interest on the Final Maturity Date, being the Distribution Date falling in January 2018.

The Issuer may not redeem Notes in whole or in part prior to the Final Maturity Date except as provided in this Condition but without prejudice to Condition 10. The Issuer shall redeem the Class X Notes only: (i) in full, but not in part; and (ii) on the earlier of the Final Maturity Date, the

date the Issuer redeems the Notes in full pursuant to this Condition 6 or the service of a Note Acceleration Notice, but in each case without prejudice to Condition 10.

(b) Mandatory Redemption from Principal Distribution Funds

Unless such Note is previously redeemed in full and cancelled as provided in this Condition 6, the Notes of each class are subject to mandatory early redemption in part on each Distribution Date in accordance with the Pre-enforcement Priority of Payments set out in the Cash Management Agreement. The principal amount of funds so redeemable on each Distribution Date shall be the Principal Distribution Amount less any NAI Amounts applied thereto. The Class X Notes shall not be redeemed on any Distribution Date pursuant to this Condition 6(b) unless the application of the Principal Distribution Amount pursuant to this Condition 6(c) will result in the Notes (other than the Class X Notes) being redeemed in full in which case the Class X Notes will be redeemed *pro rata* and *pari passu*, without preference or priority, with the Class A1 Notes and the Class A2 Notes or if there are no Class A1 Notes or Class A2 Notes outstanding, in priority to the next most senior class of Notes outstanding on such Distribution Date; provided further that in any case the Class X Notes shall be redeemed in priority to the Class H Notes.

For the purposes of these Conditions, "**Principal Distribution Amount**", in respect of any Distribution Date, means the amount of any Principal Distribution Amount calculated by the Cash Manager on the Determination Date immediately preceding such Distribution Date pursuant to the terms of the Cash Management Agreement.

(c) Optional Redemption for Tax or Other Reasons

If the Issuer at any time satisfies the Note Trustee immediately prior to giving the notice referred to below that either (i) by virtue of a change in the tax law of, Germany, Ireland, the United Kingdom, Switzerland, the Netherlands or any other jurisdiction (or the application or official interpretation thereof) from that in effect on the Closing Date, on the next Distribution Date the Issuer or any Paying Agent on its behalf would be required to deduct or withhold from any payment of principal or interest in respect of any Note (other than where the relevant holder or beneficial owner has some connection with the relevant jurisdiction other than the holding of Notes and other than in respect of default interest), any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the relevant jurisdiction (or any political sub-division thereof or authority thereof or therein having power to tax) and such requirement cannot be avoided by the Issuer taking reasonable measures available to it, or (ii) if any amount payable by the German Borrowers other than the ATU Borrowers, the ATU Issuer or the Swiss Issuer in respect of the Issuer Assets is reduced or ceases to be receivable (whether or not actually received) by the Issuer during the Interest Period preceding the next Distribution Date and, in any such case, the Issuer has, prior to giving the notice referred to below, certified to the Note Trustee that it will have the necessary funds on such Distribution Date to discharge all of its liabilities in respect of the Notes to be redeemed under this Condition 6(c) and any amounts required under the Cash Management Agreement, the Note Trust Deed and the Deed of Charge and Assignment to be paid in priority to, or ***pari passu*** with, the Notes to be so redeemed, which certificate shall be conclusive and binding, and provided that on the Distribution Date on which such notice expires, no Note Acceleration Notice has been served, then the Issuer may, but shall not be obliged to, on any Distribution Date on which the relevant event described above is continuing, having given not more than 60 nor less than 30 days' written notice ending on such Distribution Date to the Note Trustee, the Paying Agents and to the Noteholders in accordance with Condition 15, redeem:

(i) all Class A1 Notes, Class A2 Notes and all Class X Notes, *pro rata* and *pari passu* and without preference or priority between themselves, in an amount equal to the then aggregate Principal Amount Outstanding of the Class A1 Notes, Class A2 Notes and the Class X Notes plus interest accrued and unpaid thereon; and

(ii) all Class B Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class B Notes plus interest accrued and unpaid thereon; and

(iii) all Class C Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class C Notes plus interest accrued and unpaid thereon; and

(iv) all Class D Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class D Notes plus interest accrued and unpaid thereon; and

(v) all Class E Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class E Notes plus interest accrued and unpaid thereon; and

(vi) all Class F Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class F Notes plus interest accrued and unpaid thereon; and

(vii) all Class G Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class G Notes plus interest accrued and unpaid thereon; and

(viii) all Class H Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class H Notes plus interest accrued and unpaid thereon.

(d) Optional Redemption in Full

Upon giving not more than 60 nor less than 30 days' written notice to the Note Trustee, the Paying Agents and to the Noteholders, in accordance with Condition 15 and provided that on the Distribution Date on which such notice expires, no Note Acceleration Notice in relation to the Notes has been served, and further provided that the Issuer has, prior to giving such notice, certified to the Note Trustee that it will have the necessary funds to discharge on such Distribution Date all of its liabilities in respect of the Notes to be redeemed under this Condition 6(d) and any amounts required under the Cash Management Agreement, the Note Trust Deed and the Deed of Charge and Assignment to be paid on such Distribution Date which rank prior to, or *pari passu* with, the Notes, which certificate shall be conclusive and binding, and further provided that the then aggregate Principal Amount Outstanding of all of the Notes would be less than 10 per cent. of their Principal Amount Outstanding as at the Closing Date the Issuer may redeem on such Distribution Date:

(i) all Class A1 Notes, Class A2 Notes and all Class X Notes, *pro rata* and *pari passu*, without preference or priority among themselves, in an amount equal to the then aggregate Principal Amount Outstanding of the Class A1 Notes, Class A2 Notes and the Class X Notes plus interest accrued and unpaid thereon; and

(ii) all Class B Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class B Notes plus interest accrued and unpaid thereon; and

(iii) all Class C Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class C Notes plus interest accrued and unpaid thereon; and

(iv) all Class D Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class D Notes plus interest accrued and unpaid thereon; and

(v) all Class E Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class E Notes plus interest accrued and unpaid thereon; and

(vi) all Class F Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class F Notes plus interest accrued and unpaid thereon; and

(vii) all Class G Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class G Notes plus interest accrued and unpaid thereon; and

(viii) all Class H Notes in an amount equal to the then aggregate Principal Amount Outstanding of the Class H Notes plus interest accrued and unpaid thereon.

(e) Principal Amount Outstanding and Note Factor

On each Distribution Date, the Cash Manager shall determine (i) the Principal Amount Outstanding of each Note on the next following Distribution Date (after deducting any principal payment to be paid on such Note on that Distribution Date) and (ii) the fraction (the "**Note Factor**"), the numerator of which is equal to the Principal Amount Outstanding of each class of Notes immediately prior to such Distribution Date and the denominator of which is equal to the aggregate Principal Amount Outstanding of all the classes of Notes immediately prior to such Distribution Date. Each determination by the Cash Manager of the Principal Amount Outstanding of a Note and the Note Factor shall in each case (in the absence of wilful default, bad faith or manifest error) be final and binding on all persons.

The "**Principal Amount Outstanding**" of a Note on any date will be its face amount less the aggregate amount of principal repayments paid in respect of that Note since the Closing Date and, for certain purposes specified herein (including calculating the amount of interest that is due and payable on a particular Distribution Date) the NAI Amount allocated to such Note since the Closing Date.

The "**NAI Amount**" of a Note means a *pro rata* share of the aggregate amount of NAI required to be applied to the relevant class of Notes in accordance with the following sentence. On the Distribution Date immediately following any Determination Date on which NAI has arisen, the Principal Amount Outstanding of the Notes will, for the purposes of calculating the amount of interest that is due and payable on a particular Distribution Date and on subsequent Distribution Dates (subject as set out below), be reduced by an amount equal to such NAI as applied to the classes of Notes in a reverse sequential order, beginning with the most subordinated class of Notes that has a Principal Amount Outstanding (after deducting any NAI Amounts previously applied thereto). The difference between the amount of interest that would have been due and payable on any class or classes of Notes on any Distribution Date, had no such NAI Amount been applied, and the amount of interest which became due and payable as a result of such application and the operation of Condition 5(a) is referred to as the "**NAI Deferred Interest**". All NAI Deferred Interest applied to a particular class or classes of Notes will become due and payable on, and shall continue to accrue interest until, the date on which such Notes are redeemed in full.

For these purposes, "**NAI**" means, with respect to any Determination Date, the amount by which (x) the aggregate amount outstanding of the Loans as determined by the Issuer Servicer, the ATU Issuer Servicer, or the Swiss Issuer Servicer after taking into account all principal received on or before such Determination Date is less than (y) the aggregate Principal Amount Outstanding of the Notes on the related Distribution Date (after application of any Principal Distribution Amount, if any, to be applied on such Distribution Date).

NAI represents the amount of losses realised on the Loans following a Final Recovery Determination.

The Issuer (or the Cash Manager on its behalf) will cause each determination of a Principal Amount Outstanding, NAI Amount and the Note Factor to be notified in writing forthwith to the Note Trustee, the Paying Agents, the Rating Agencies, the Agent Bank and (for so long as the Notes are listed on the Irish Stock Exchange) the Irish Stock Exchange and will cause notice of each determination of a Principal Amount Outstanding and the Note Factor to be given to the Noteholders in accordance with Condition 15 as soon as reasonably practicable thereafter.

If the Issuer (or the Cash Manager on its behalf) does not at any time for any reason determine a Principal Amount Outstanding, NAI Amount or the Note Factor in accordance with the preceding provisions of this Condition 6(e), such Principal Amount Outstanding, NAI Amount and the Note Factor may be determined by the Note Trustee, in accordance with this Condition 6(e), and each such determination or calculation shall be conclusive and shall be deemed to have been made by the Issuer or the Cash Manager, as the case may be.

(f) Notice of Redemption

Any such notice as is referred to in Condition 6(d) and (e) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes of the relevant class in the amounts specified in these Conditions.

(g) Cancellation

All Notes redeemed in full pursuant to the foregoing provisions will be cancelled forthwith and may not be resold or re-issued.

(h) No Purchase by Issuer

The Issuer will not purchase any of the Notes.

7. Payments

(a) Global Notes

Payments of principal and interest in respect of any Global Note will be made only against presentation (and in the case of final redemption of a Global Note or in circumstances where the unpaid principal amount of the relevant Global Note would be reduced to zero (including as a result of any other payment of principal due in respect of such Global Note), surrender) of such Global Note at the specified office of any Paying Agent.

Payments in respect of the Rule 144A Global Notes will be paid subject to the provisions below, to the Exchange Agent for conversion into U.S. dollars and payment to holders of interests in such Notes who hold such interests through DTC (the "**DTC Holders**") in accordance with the terms of the Exchange Agency Agreement. Payments in respect of the Regulation S Global Notes will be paid in euro to holders of interests in such Notes (such holders being, the "**Euroclear/Clearstream Holders**").

At present, DTC can only accept payments in U.S. dollars. As a result, DTC Holders will receive payments in U.S. dollars as described above unless they elect, in accordance with DTC's customary procedures, to receive payment in euro.

A Euroclear/Clearstream Holder may receive payments in respect of its interest in any Global Notes in U.S. dollars in accordance with Euroclear's and Clearstream, Luxembourg's customary procedures. All costs of conversion from any such election will be borne by such Euroclear/ Clearstream Holder.

(b) Definitive Notes

Payments of principal and interest (except where, after such payment, the unpaid principal amount of the relevant Note would be reduced to zero (including as a result of any other payment of principal due in respect of such Note), in which case the relevant payment of principal or interest, as the case may be, will be made against surrender of such Note) in respect of Definitive Notes, will be made by euro denominated cheque drawn on a branch of a bank in London posted to the holder (or to the first-named of joint holders) of such Definitive Note at the address shown in the Register on the Record Date (as defined below) not later than the due date for such payment. If any payment due in respect of any Definitive Note is not paid in full, the Registrar will annotate the Register with a record of the amount, if any, so paid. For the purposes of this Condition 7(b), the holder of a Definitive Note will be deemed to be the person shown as the holder (or the first-named of joint holders) on the Register on the fifteenth day before the due date for such payment (the "**Record Date**").

Upon application by the holder of a Definitive Note to the specified office of the Registrar not later than the Record Date for payment in respect of such Definitive Note, such payment will be made by transfer to a euro denominated account maintained by the payee with a branch of a bank in London. Any such application for transfer to such account shall be deemed to relate to all future payments in respect of such Definitive Note until such time as the Registrar is notified in writing to the contrary by the holder thereof.

(c) Laws and Regulations

Payments of principal, interest and premium (if any) in respect of the Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.

(d) Overdue Principal Payments

If payment of principal is improperly withheld or refused on or in respect of any Note or part thereof, the interest which continues to accrue in respect of such Note or part thereof in accordance with Condition 5(a) will be paid against presentation of such Note at the specified office of any Paying Agent, and in the case of any Definitive Note, will be paid in accordance with Condition 7(b).

(e) Change of Agents

The Principal Paying Agent is Deutsche Bank AG, London Branch at its offices at Winchester House, 1 Great Winchester Street, London EC2N 2DB. The Irish Paying Agent is Deutsche International Corporate Services (Ireland) Limited at its offices at 5 Harbourmaster Place, International Financial Services Centre, Dublin 1, Ireland. The Issuer reserves the right, subject to the prior written approval of the Note Trustee, at any time to vary or terminate the appointment of the Principal Paying Agent, any other Paying Agent, the Registrar and the Agent Bank and to appoint additional or other Agents. The Issuer will at all times maintain an Irish Paying Agent with a specified office in Dublin, for so long as the Notes are listed on the Irish Stock Exchange. The Issuer will cause at least 30 days' notice of any change in or addition to the Paying Agents or the Registrar or their specified offices to be given to the Noteholders in accordance with Condition 15. The Issuer will maintain a Paying Agent in a

Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Union Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to such Directive.

(f) Presentation on Non-Business Days

If any Note is presented (if required) for payment on a day which is not a business day in the place where it is so presented, payment shall be made on the next succeeding day that is a business day (unless such business day falls in the next succeeding calendar month in which event the immediately preceding business day) and no further payments of additional amounts by way of interest, principal or otherwise shall be due in respect of such Note. No further payments of additional amounts by way of interest, principal or otherwise shall be payable in respect of the late arrival of any cheque posted to a Noteholder in accordance with the provisions of Condition 7(b). For the purposes of Condition 6 and this Condition 7, "**Business Day**" shall mean, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments in that place.

(g) Accrual of Interest on Late Payments

If interest is not paid in respect of a Note of any class on the date when due and payable (other than because the due date is not a business day (as defined in Clause 7(f)) or by reason of non-compliance with Condition 7(a) or (b)), then such unpaid interest shall itself bear interest at the applicable Rate of Interest (or Class X Interest Rate in respect of interest on the Class X Notes) until such interest and interest thereon is available for payment and notice thereof has been duly given to the Noteholders in accordance with Condition 15, provided that such interest and interest thereon are, in fact, paid.

8. Taxation

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature unless the Issuer or any relevant Paying Agent is required by applicable law in any jurisdiction to make any payment in respect of the Notes subject to any such withholding or deduction. In that event, the Issuer or such Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. **Neither the Issuer nor any Paying Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction.**

9. Prescription

Claims for principal in respect of Global Notes shall become void unless the relevant Global Notes are presented for payment within ten years of the appropriate relevant date. Claims for interest in respect of Global Notes shall become void unless the relevant Global Notes are presented for payment within five years of the appropriate relevant date.

Claims for principal and interest in respect of Definitive Notes shall become void unless made within ten years, in the case of principal, and five years, in the case of interest, of the appropriate relevant date.

In this Condition 9, the "**relevant date**" means the date on which a payment first becomes due, but if the full amount of the moneys payable has not been received by the relevant Paying Agent or the Note Trustee on or prior to such date, it means the date on which the full amount of such moneys shall have been so received, and notice to that effect shall have been duly given to the Noteholders in accordance with Condition 15.

10. Note Events of Default

(a) Eligible Noteholders

If any of the events mentioned in sub-paragraphs (A) to (E) inclusive below shall occur (each such event being a "**Note Event of Default**"), the Note Trustee at its absolute discretion may, and if so requested in writing by the "Eligible Noteholders", being:

(i) the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class A1 Notes or the Class A2 Notes then outstanding; or

(ii) if there are no Class A1 Notes and Class A2 Notes, outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class B Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(iii) if there are no Class A1 Notes, Class A2 Notes or Class B Notes outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class C Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(iv) if there are no Class A1 Notes, Class A2 Notes, Class B Notes or Class C Notes outstanding, the holders of not less than 25 per cent. in the aggregate of the Principal Amount Outstanding of the Class D Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(v) if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class E Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(vi) if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class F Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(vii) if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class G Notes then outstanding (after deducting any NAI Amounts applied thereto); or

(viii) if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes outstanding, the holders of not less than 25 per cent. in aggregate of the Principal Amount Outstanding of the Class H Notes then outstanding (after deducting any NAI Amounts applied thereto), or if so directed by or pursuant to an Extraordinary Resolution of the most senior class of Noteholders (other than the Class X Noteholders) then outstanding shall, and in any case aforesaid, subject to the Note Trustee being indemnified and/or secured to its satisfaction, give notice (a "**Note Acceleration Notice**") to the Issuer and the Issuer Security Trustee declaring all the Notes to be due and repayable and the Issuer Security enforceable:

(A) default is made for a period of three days in the payment of the principal of, or default is made for a period of five days in the payment of interest on, any Class A1 Note or Class A2 Note or, if there are no Class A1 Notes or Class A2 Notes outstanding, any Class B Note; or, if there are no Class A1 Notes, Class A2 Notes or Class B Notes outstanding, any Class C Note; or, if there are no Class A1 Notes, Class A2 Notes, Class B Notes or Class C Notes outstanding, any Class D Note; or if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes outstanding, any Class E Note; or if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes outstanding, any Class F Notes; or if there are no Class A1 Notes, Class A2 Notes Class B Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes outstanding, any Class G Note; or if there are no Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes outstanding, any Class H Note, in each case when and as the same becomes due and payable in accordance with these Conditions; or

(B) the Issuer defaults in the performance or observance of any other obligation binding upon it under the Notes of any class, the Note Trust Deed, the Issuer Security Documents or the other Transaction Documents to which it is party and, in any such case (except where the Note Trustee certifies that, in its opinion, such default is incapable of remedy when no notice will be required), such default continues for a period of 14 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or

(C) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in Condition 10(a)(D) below, ceases or, consequent upon a resolution of the board of directors of the Issuer, threatens to cease to carry on business or a substantial part of its business or the Issuer is or is deemed unable to pay its debts as and when they fall due; or

(D) an order is made or an effective resolution is passed for the winding-up of the Issuer except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Note Trustee in writing or by an Extraordinary Resolution of the most senior class of Noteholders (other than the Class X Noteholders) then outstanding; or

(E) proceedings shall be initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator or the service of a notice to appoint an administrator) and such proceedings are not, in the opinion of the Note Trustee, being disputed in good faith with a reasonable prospect of success, or an administration order shall be granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator or other similar official shall be appointed (or formal notice is given of an intention of appoint an administrator) in relation to the Issuer or any part of its undertaking, property or assets, or an encumbrancer shall take possession of all or any part of the undertaking, property or assets of the Issuer, or a distress or execution or other process shall be levied or enforced upon or sued against all or any part of the undertaking, property or assets of the Issuer and such appointment, possession or process is not discharged or does not otherwise cease to apply within 15 days, or the Issuer (or the shareholders of the Issuer) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of or a composition or similar arrangement with its creditors generally or takes steps with a view to obtaining a moratorium in respect of any of the indebtedness of the Issuer, provided that in the case of each of the events described in Condition 10(a)(B) above, the Note Trustee shall have certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the most senior class of Noteholders then outstanding.

(b) Effect of Declaration by Note Trustee

Upon any declaration being made by the Note Trustee in accordance with Condition 10(a) above, all classes of the Notes then outstanding shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest as provided in the Note Trust Deed and the Issuer Security shall become enforceable.

11. Enforcement

The Note Trustee may, at its discretion and without notice, take such proceedings and/or other action or steps against or in relation to the Issuer or any other person as it may think fit to enforce the provisions of the Notes, the Note Trust Deed, these Conditions and the other Transaction Documents and the Issuer Security Trustee may, at any time after the Issuer Security has become enforceable, at its discretion and without notice, take such steps as it may think fit to enforce the Issuer Security, but neither the Note Trustee nor the Issuer Security Trustee shall be bound to take any such proceedings or steps unless:

(a) subject to the proviso below, it is directed to do so by an Extraordinary Resolution of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders or the Class H Noteholders by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, the Class G Notes and the Class H Notes then outstanding (after deducting any NAI Amounts applied thereto); and

(b) it shall have been indemnified and/or secured to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all liabilities, losses, costs, charges, damages and expenses (including any VAT thereon) which it may incur by so doing,

PROVIDED THAT:

(i) for so long as any Class A1 Note or Class A2 Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class B Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Class A1 Noteholders and the Class A2 Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by, an Extraordinary Resolution of the Class A1 Noteholders and the Class A2 Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Class A1 Notes and Class A2 Notes then outstanding;

(ii) for so long as any Class A1 Note, Class A2 Note or Class B Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class C Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders and the Class B Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by, an Extraordinary Resolution of the Class A1 Noteholders, the Class A2 Noteholders and the Class B Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of the Class A1 Notes, the Class A2 Notes and the Class B Notes then outstanding (after applying any relevant NAI Amounts);

(iii) for so long as any Class A1 Note, Class A2 Note, Class B Note or Class C Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class D Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the respective interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class C Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class C Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of each of the Class A1 Notes, the Class A2 Notes, the Class B Notes and the Class C Notes then outstanding (after applying any relevant NAI Amounts);

(iv) for so long as any Class A1 Note, Class A2 Note, Class B Note, Class C Note or Class D Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class E Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the respective interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of each of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes and the Class D Notes then outstanding (after applying any relevant NAI Amounts);

(v) for so long as any Class A1 Note, Class A2 Note, Class B Note, Class C Note, Class D Note or Class E Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class F Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the respective interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been

directed to take such action by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of each of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes then outstanding (after applying any relevant NAI Amounts);

(vi) for so long as any Class A1 Note, Class A2 Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class G Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the respective interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of each of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes then outstanding (after applying any relevant NAI Amounts);

(vii) for so long as any Class A1 Note, Class A2 Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note or Class G Note is outstanding, neither the Note Trustee nor the Issuer Security Trustee shall be bound to act at the direction of the Class H Noteholders unless (A) to do so would not, in the opinion of the Note Trustee, be materially prejudicial to the respective interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders or (B) such action is sanctioned by, or the Note Trustee has also been directed to take such action by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders or by a notice in writing signed by the holders of at least 25 per cent. in aggregate of the Principal Amount Outstanding of each of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes then outstanding (after applying any relevant NAI Amounts);

(vi) at no time shall the Note Trustee or the Issuer Security Trustee be bound to act at the direction or request of the Class X Noteholders.

(c) No Noteholder shall be entitled to proceed directly against the Issuer or any other party to the Transaction Documents or to enforce the Issuer Security unless the Note Trustee or, as the case may be, the Issuer Security Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing provided that: (i) no Class B Noteholder, Class C Noteholder, Class D Noteholder, Class E Noteholder, Class F Noteholder, Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes or Class A2 Notes are outstanding; (ii) no Class C Noteholder, Class D Noteholder, Class E Noteholder, Class F Noteholder, Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes or Class B Notes are outstanding; (iii) no Class D Noteholder, Class E Noteholder, Class F Noteholder, Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes, Class B Notes or Class C Notes are outstanding; (iv) no Class E Noteholder, Class F Noteholder, Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes or Class D Notes are outstanding; (v) no Class F Noteholder, Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are outstanding; (vi) no Class G Noteholder or Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes, Class B

Notes, Class C Notes, Class D Notes, Class E Notes or Class F Notes are outstanding; (vi) no Class H Noteholder, for so long as any Class A1 Notes, Class A2 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes or Class G Notes are outstanding; and (vii) in any event, no Class X Noteholder, shall be entitled to take proceedings for the winding up, examination or administration of the Issuer. The Issuer Security Trustee cannot, while any of the Notes are outstanding, be required to enforce the Issuer Security at the request of any other Issuer Secured Creditor under the Issuer Security Documents, as applicable.

(d) If the net proceeds of realisation of, or enforcement with respect to, the Issuer Security are not sufficient to discharge all of the Issuer Secured Liabilities, the Issuer's other assets will not be available for payment of any shortfall arising therefrom, which shortfall will be borne in accordance with the provisions of the Deed of Charge and Assignment. All claims in respect of such shortfall, after realisation of or enforcement with respect to all of the Issuer Security, shall be extinguished and the Issuer Security Trustee, the Note Trustee, the Noteholders and the other Issuer Secured Creditors shall have no further claim against the Issuer in respect of such unpaid amounts. Each Noteholder, by subscribing for or purchasing Notes, as applicable, is deemed to acknowledge and accept that it is fully aware that, in the event of an enforcement of the Issuer Security, (i) its right to obtain repayment in full is limited to the Issuer Security and (ii) the Issuer will have duly and entirely fulfilled its payment obligations by making available to each Noteholder its relevant proportion of the proceeds of realisation or enforcement of the Issuer Security in accordance with the Deed of Charge and Assignment, and all claims in respect of any shortfall will be extinguished.

12. Meetings of Noteholders, Modification and Waiver and Substitution

(a) The Note Trust Deed contains provisions for convening meetings of the Class A1 Noteholders, meetings of the Class A2 Noteholders, meetings of the Class B Noteholders, meetings of the Class C Noteholders, meetings of the Class D Noteholders, meetings of the Class E Noteholders, meetings of the Class F Noteholders, meetings of the Class G Noteholders, meetings of the Class H Noteholders and meetings of all the Noteholders (other than the Class X Noteholders) to consider any matter affecting their interests including the sanctioning by Extraordinary Resolution of, *inter alia*, the removal of the Note Trustee, a modification of the Notes or the Note Trust Deed (including these Conditions) or the provisions of any of the other Transaction Documents. The Class X Noteholders shall not be entitled to hold class meetings or to pass resolutions (including Extraordinary Resolutions).

(b) An Extraordinary Resolution of the Class A1 Noteholders shall be binding on all the Class A2 Noteholders, Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, Class G Noteholders and Class H Noteholders irrespective of the effect upon them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of, the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class A1 Noteholders shall take effect unless such modification, waiver or authorisation shall have been sanctioned by an Extraordinary Resolution of each of the Class A2 Noteholders, Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the respective interests of the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(c) An Extraordinary Resolution of the Class A2 Noteholders (other than as referred to in Condition 12(b)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A1 Noteholders (and for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders); or

(ii) it is sanctioned by an Extraordinary Resolution of the Class A1 Noteholders; or

(iii) none of the Class A1 Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class A2 Noteholders shall be binding on the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class A2 Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders as applicable, or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(d) An Extraordinary Resolution of the Class B Noteholders (other than as referred to in Condition 12(b) or 12(c)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A1 Noteholders and/or the Class A2 Noteholders (and for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b) and 12(c)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders and the Class A2 Noteholders); or

(ii) it is sanctioned by an Extraordinary Resolution of the Class A1 Noteholders and the Class A2 Noteholders; or

(iii) none of the Class A1 Notes or the Class A2 Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class B Noteholders shall be binding on the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class B Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders as applicable, or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(e) An Extraordinary Resolution of the Class C Noteholders (other than as referred to in Condition 12(b), 12(c) or 12(d)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders, as applicable (and for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c) and 12(d)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders and/or the Class A2 Noteholders and the Class B Noteholders); or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders and the Class B Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes or the Class B Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class C Noteholders shall be binding on the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class C Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders as applicable, or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(f) An Extraordinary Resolution of the Class D Noteholders (other than as referred to in Conditions 12(b), 12 (c), 12(d) or 12(e)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/ or the Class B Noteholders and/or the Class C Noteholders, as applicable (for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c), 12(d) and 12(e)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class C Noteholders, as the case may be); or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders and the Class C Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes, the Class B Notes or the Class C Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class D Noteholders shall be binding on the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class D Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class E Noteholders, the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(g) An Extraordinary Resolution of the Class E Noteholders (other than as referred to in Conditions 12(b), 12 (c), 12(d), 12(e) or 12(f)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders, as applicable (for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c), 12(d), 12(e) and 12(f)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, and the Class D Noteholders), as the case may be; or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders and the Class D Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes or the Class D Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class E Noteholders shall be binding on the Class F Noteholders, the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class E Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class F Noteholders, the Class G Noteholders and the Class H Noteholders or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class F Noteholders, the Class G Noteholders and the Class H Noteholders.

(h) An Extraordinary Resolution of the Class F Noteholders (other than as referred to in Conditions 12(b), 12 (c), 12(d), 12(e), 12(f) or 12(g)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders, as applicable (for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c), 12(d), 12(e), 12(f) and 12(g)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders), as the case may be; or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class F Noteholders shall be binding on the Class G Noteholders and the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class F Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class G Noteholders and the Class H Noteholders or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class G Noteholders and the Class H Noteholders.

(i) An Extraordinary Resolution of the Class G Noteholders (other than as referred to in Conditions 12(b), 12 (c), 12(d), 12(e), 12(f), 12(g) or 12(h)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders, as applicable (for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c), 12(d), 12(e), 12(f), 12(g) and 12(h)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders), as the case may be; or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes remain outstanding;

provided further that an Extraordinary Resolution of the Class G Noteholders shall be binding on the Class H Noteholders, irrespective of the effect on them, except that no Extraordinary Resolution to sanction a modification (including a Basic Terms Modification) of, or a waiver or authorisation of any breach or proposed breach of any of the provisions of the Note Trust Deed, these Conditions or any of the other Transaction Documents passed at any meeting of the Class G Noteholders shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of each of the Class H Noteholders or it shall not, in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class H Noteholders.

(j) An Extraordinary Resolution of the Class H Noteholders (other than as referred to in Conditions 12(b), 12 (c), 12(d), 12(e), 12(f), 12(g), 12(h) or 12(i)) shall not be effective for any purpose unless either:

(i) the Note Trustee is of the opinion that it would not be materially prejudicial to the respective interests of the Class A1 Noteholders and/or the Class A2 Noteholders and/or the Class B Noteholders and/or the Class C Noteholders and/or the Class D Noteholders and/or the Class E Noteholders and/or the Class F Noteholders and/or the Class G Noteholders, as applicable (for greater certainty, an Extraordinary Resolution (other than as referred to in Condition 12(b), 12(c), 12(d), 12(e), 12(f), 12(g), 12(h) and 12(i)) relating to a Basic Terms Modification shall be materially prejudicial to the interests of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders), as the case may be; or

(ii) it is sanctioned by an Extraordinary Resolution of each of the Class A1 Noteholders, the Class A2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Class G Noteholders; or

(iii) none of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Class G Notes remain outstanding.

(k) Notwithstanding the foregoing, no Extraordinary Resolution to authorise or sanction a modification of (including a Basic Terms Modification) or, a waiver or authorisation of any breach or proposed breach of any provisions of the Note Trust Deed, these Conditions or any of the Transaction Documents by the Note Trustee shall be binding on the Class X Noteholders unless such Extraordinary Resolution shall not in the opinion of the Note Trustee, in its sole discretion, be materially prejudicial to the interests of the Class X Noteholders.

(l) Subject as provided below, the quorum at any meeting of the Noteholders (or of any class of Noteholders) or persons present holding voting certificates or being proxies, for passing an Extraordinary Resolution shall be one or more persons holding or representing a clear majority of not less than 50.1 per cent. in Principal Amount Outstanding of the Notes of such class (after deducting any NAI Amounts) or, at any adjourned meeting, one or more persons being or representing Noteholders (or Noteholders of such class) whatever the Principal Amount Outstanding of Notes so held or represented.

The quorum at any meeting of the Noteholders of any class for passing an Extraordinary Resolution would have the effect of (i) sanctioning of a modification of the date of maturity of the Notes (or any of them); (ii) postponing any day for the payment of interest on the Notes (or any of them); (iii) reducing or cancelling the amount of principal

or the rate of interest payable in respect of the Notes; (iv) modifying the method of calculating the amount payable or the date of payment in respect of any interest or principal in respect of the Notes; (v) modifying the definition of "**Basic Terms Modification**"; (vi) altering the currency of payment of the Notes referable thereto; or (vi) releasing or modifying any provisions in respect of the Issuer Security (or any part thereof), (each a "**Basic Terms Modification**" as set out in the Note Trust Deed) shall be one or more persons holding Notes or voting certificates in respect thereof or proxies representing not less than 75 per cent. of the Principal Amount Outstanding of the Notes (or the relevant class thereof) for the time being outstanding (after deducting any relevant NAI Amounts), or at any adjourned such meeting, not less than $33^{1}/_{3}$ per cent. of the Principal Amount Outstanding of the Notes (or the relevant class thereof) for the time being outstanding (after deducting any relevant NAI Amounts). The foregoing notwithstanding, the implementation of certain Basic Terms Modifications will be subject to the receipt of written confirmation from each Rating Agency then rating the Notes that the then current ratings of each class of Notes rated thereby will not be qualified, downgraded or withdrawn as a result of such modification. Additionally, written notice of such modifications shall be provided to the Irish Stock Exchange.

An Extraordinary Resolution passed at any meeting of Noteholders (or any class thereof) shall be binding on all Noteholders (or, as the case may be, all Noteholders of such class) whether or not they are present at such meeting.

(m) The Note Trustee may agree, without the consent of the Noteholders of any class, (i) to any modification (except a Basic Terms Modification) of, or to any waiver or authorisation of any breach or proposed breach of, the Notes, the Note Trust Deed (including these Conditions) or any of the other Transaction Documents which, in the opinion of the Note Trustee, is not materially prejudicial to the interests of the Noteholders of any class or (ii) to any modification of the Notes, the Note Trust Deed (including these Conditions) or any of the other Transaction Documents which, in the opinion of the Note Trustee, is to correct a manifest error or a proven (to the satisfaction of the Note Trustee) error or to comply with mandatory provisions of law or is of a formal, minor or technical nature and, the Note Trustee may also, without the consent of the Noteholders of any class, determine that a Note Event of Default shall, or shall not, subject to specified conditions, be treated as such; provided always that the Note Trustee shall not exercise such powers of waiver, authorisation or determination in contravention of any express written direction given by the Eligible Noteholders or by an Extraordinary Resolution of the most senior class of Noteholders then outstanding (provided that no such direction or restriction shall affect any authorisation, waiver or determination previously made or given). Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and, unless the Note Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 15.

(n) Where the Note Trustee is required, in connection with the exercise of its powers, trusts, authorities, duties and discretions, to have regard to the interests of the Noteholders or, as the case may be, the Noteholders of any class, it shall have regard to the interests of such Noteholders as a class and, in particular, but without prejudice to the generality of the foregoing, the Note Trustee shall not have regard to, or be in any way liable for, the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer or the Note Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

(o) The Note Trustee shall be entitled to determine, in its own opinion, for the purposes of exercising any power, trust, authority, duty or discretion under or in relation to the Notes, the Conditions or any of the Transaction Documents, that such exercise will not be materially prejudicial to the interests of the Noteholders or any class of Noteholders and in making such a determination shall be entitled to take into account, without enquiry, among any other things it may in its absolute discretion consider necessary and/or appropriate, any confirmation by a Rating Agency (if available) that the then current

ratings of the Notes or, as the case may be, the Notes of such class will not be downgraded, withdrawn or qualified as a result by such exercise. For the avoidance of doubt, such rating confirmation or non-receipt of such rating confirmation shall, however, not be construed to mean that any such action or inaction (or contemplated action or inaction) or such exercise (or contemplated exercise) by the Note Trustee of any right, power, trust, authority, duty or discretion under or in relation to the Notes, the Conditions or any of the Transaction Documents is not materially prejudicial to the interest of holders of that class of Notes.

(p) The Note Trustee may, without the consent of the Noteholders or any other Issuer Secured Creditor agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this condition) as the principal debtor in respect of the Notes and the Note Trust Deed of another body corporate (being a single purpose vehicle) provided that each Rating Agency then rating the Notes has confirmed in writing to the Note Trustee and the Issuer Security Trustee that such substitution would not adversely affect the ratings of the Notes, provided that such substitution would not in the opinion of the Note Trustee be materially prejudicial to the interests of the Noteholders and subject to certain conditions set out in the Note Trust Deed being complied with or to be complied with (or suitable arrangements in place to ensure compliance with such conditions). In the case of substitution of the Issuer, the Irish Stock Exchange shall be notified of such substitution, a supplemental offering circular will be prepared and filed with the Irish Stock Exchange and notice of the substitution will be notified to the Noteholders in accordance with Condition 15.

13. Indemnification and Exoneration of the Note Trustee and Issuer Security Trustee

The Note Trust Deed, the Issuer Security Documents, the Issuer Servicing Agreement, the ATU Issuer Servicing Agreement and certain of the other Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of each of the Note Trustee and the Issuer Security Trustee and for indemnification in certain circumstances, including provisions relieving them from taking enforcement proceedings or, in the case of the Issuer Security Trustee, enforcing the Issuer Security unless indemnified and/ or secured to its satisfaction. Neither the Note Trustee nor the Issuer Security Trustee will be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Issuer Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of other parties to the Transaction Documents, clearing organisations or their operators or by intermediaries such as banks, brokers, depositories, warehousemen or other similar persons whether or not on behalf of the Note Trustee or the Issuer Security Trustee.

The Note Trust Deed and the Deed of Charge and Assignment contain provisions pursuant to which each of the Note Trustee and the Issuer Security Trustee or any of its related companies is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and or any other person who is a party to the Transaction Documents or whose obligations are comprised in the Issuer Security and/or any of their subsidiary or associated companies and to act as trustee for the holders of any other securities issued by or relating to the Issuer and/or any other person who is a party to the Transaction Documents or whose obligations are comprised in the Issuer Security and/ or any of their subsidiary or associated companies, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of the Noteholders or any other Issuer Secured Creditor, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Deed of Charge and Assignment provides that the Issuer Security Trustee shall accept without investigation, requisition or objection such right and title as the Issuer may have to the Issuer's property secured pursuant to the Issuer Security Documents and shall not be bound or concerned to examine such right and title, and the Issuer Security Trustee shall not be liable for any defect or failure in the right or title of the Issuer to the property secured pursuant to the Issuer Security Documents whether such defect or failure was known to the Issuer Security Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not. Neither the Note Trustee nor the Issuer Security Trustee has any responsibility in relation to the validity, sufficiency and enforceability of the Issuer Security. Neither the Note Trustee nor the Issuer Security Trustee will be obliged to take any action which might result in its incurring

personal liabilities unless indemnified and/or secured to its satisfaction or to supervise the performance by the Issuer Servicer, the Cash Manager, the Liquidity Facility Provider, the Swap Provider, or any other person of their obligations under the Transaction Documents and each of the Note Trustee and the Issuer Security Trustee shall assume, until it has actual knowledge or express notice to the contrary, that all such persons are properly performing their duties, notwithstanding that the Issuer Security (or any part thereof) may, as a consequence, be treated as floating rather than fixed security.

14. Replacement of Global Notes and Definitive Notes

If any Global Note or Definitive Note is mutilated, defaced, lost, stolen or destroyed, it may be replaced at the specified office of any Paying Agent or the Registrar upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer, the Registrar, the Paying Agent or the Note Trustee may reasonably require. Mutilated or defaced Global Notes or Definitive Notes must be surrendered before replacements will be issued.

15. Notice to Noteholders

(a) All notices, other than notices given in accordance with the following paragraphs of this Condition 15, to Noteholders shall be deemed to have been validly given if published in a leading daily newspaper printed in the English language and with general circulation in Dublin (which is expected to be The Irish Times) or, if that is not practicable, in such English language newspaper or newspapers as the Note Trustee shall approve having a general circulation in Ireland and the rest of Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required. For so long as the Notes of any class are represented by Global Notes, notices to Noteholders will be validly given if published as described above or, for so long as the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so allow, and, at the option of the Issuer, if delivered to the Depository for communication by it to Euroclear and/or Clearstream, Luxembourg for communication by them to their participants and for communication by such participants to entitled accountholders. Any notice delivered to Euroclear and/or Clearstream, Luxembourg as aforesaid shall be deemed to have been given on the day on which it is delivered to the Depository.

(b) Any notice specifying a Distribution Date, a Rate of Interest, a Class X Interest Rate, an Interest Amount, or a Principal Amount Outstanding shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of the Bloomberg Screen or such other medium for the electronic display of data as may be previously approved in writing by the Note Trustee and notified to the Noteholders pursuant to Condition 15(a). Any such notice shall be deemed to have been given on the first date on which such information appeared on the relevant screen. If it is impossible or impractical to give notice in accordance with this paragraph then notice of the matters referred to in this paragraph shall be given in accordance with Condition 15(a). In addition, so long as the Notes are admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market, and the rules of the Irish Stock Exchange so require, notices regarding the Notes will be notified to the Company Announcement Office of the Irish Stock Exchange.

(c) A copy of each notice given in accordance with this Condition 15 shall be provided to (for so long as the Notes of any class are listed on the Irish Stock Exchange) the Company Announcements Office of the Irish Stock Exchange, to Moody's Investor Services Limited ("**Moody's**"), Standard & Poor's Ratings Services (a division of The McGraw-Hill Companies, Inc.) ("**S&P**"), and Fitch Ratings Ltd. ("**Fitch**", together with S&P and Moody's, the "**Rating Agencies**") to which reference in these Conditions shall include any additional or replacement rating agency appointed by the Issuer, with the prior written approval of the Note Trustee, to provide a credit rating in respect of the Notes or any class thereof). For the avoidance of doubt, and unless the context otherwise requires, all references to "**rating**" and "**ratings**" in these Conditions shall be deemed to be references to the ratings assigned by the Rating Agencies.

(d) The Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders or to a class or category of them if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Note Trustee shall require.

16. Privity of Contract

The Notes do not confer any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

17. Governing Law

The Note Trust Deed, the Deed of Charge and Assignment, the Agency Agreement, the other Transaction Documents (other than the German Security Agreement, the Luxembourg Security Agreement, the Swiss Security Agreement, the Issuer Corporate Services Agreement, the Asset Transfer Agreements (to the extent described below), the Swiss Note, the Swiss Issuer Corporate Services Agreement and the Exchange Agency Agreement) and the Notes are governed by English law. The German Security Agreement is governed by the laws of the Federal Republic of Germany. The Luxembourg Security Agreement is governed by the laws of Luxembourg. The Swiss Security Agreement, the Swiss Note, and the Swiss Issuer Corporate Services Agreement are governed by the laws of Switzerland and the Issuer Corporate Services Agreement is governed by the laws of Ireland. The Swiss Security Transfer Agreement is governed by Swiss law. The Non-ATU German Loan Sale Agreement is governed by English law (apart from the assignment of the GWK Loan, which is governed by German law) and the Non-ATU German Security Transfer Agreement is governed by German law. The Exchange Agency Agreement is governed by New York law.

18. U.S. Tax Treatment and Provision of Information

(a) It is the intention of the Issuer, each Noteholder and beneficial owner ("**Owner**") of an interest in the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes that the Notes will be indebtedness of the Issuer for United States federal, state and local income and franchise tax purposes and for the purposes of any other United States federal, state and local tax imposed on or measured by income (the "**Intended U.S. Tax Treatment**"). To the extent applicable and absent a final determination to the contrary, the Issuer and each Noteholder and Owner, by acceptance of a Class A1 Note, Class A2 Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note and Class G Note, or a beneficial interest therein, agree to treat such Notes, for purposes of United States federal, state and local income or franchise taxes and any other United States federal, state and local taxes imposed on or measured by income, in a manner consistent with the Intended U.S. Tax Treatment and to report the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes on all applicable tax returns in a manner consistent with such treatment.

Because of the subordination and other features of the Class H Notes (and to lesser extent, a more senior Class of Notes), there is a significant possibility that the Class H Notes could be characterised as equity in the Issuer.

(b) For so long as any Notes remain outstanding and are "**restricted securities**" (as defined in Rule 144(a)(3) under the Securities Act), the Issuer shall, during any period in which it is neither subject to Section 13 or Section 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, furnish, at its expense, to any holder of, or Owner of an interest in, such Notes in connection with any resale thereof and to any prospective purchaser designated by such holder or Owner, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

19. Controlling Class

If the Controlling Party is the Controlling Class then the majority of persons who constitute the Controlling Class may by notice in writing to the Note Trustee, the Issuer Security Trustee, the Issuer Servicer, the Issuer Special Servicer, the ATU Issuer Servicer, the ATU Issuer Special Servicer, the Swiss Issuer Servicer, the Swiss Issuer Special Servicer appoint not more than one Noteholder of such class to be their representative for the purposes of this Condition (each such person, an "**Operating Adviser**").

Any Operating Adviser so appointed will have the rights set forth in the Issuer Servicing Agreement and/or the ATU Issuer Servicing Agreement and/or the Swiss Issuer Servicing Agreement (together, the "**Servicing Agreements**"). Any Operating Adviser shall, unless instructed to the contrary in writing by the majority of persons who constitute the Controlling Class, be entitled in its sole discretion to exercise all of the rights given to it pursuant to the Servicing Agreement as it sees fit.

The appointment of any Operating Adviser shall not take effect until the Issuer Security Trustee notifies the Issuer Servicer and the Issuer Special Servicer and/or the ATU Issuer Servicer and the ATU Issuer Special Servicer and/or the Swiss Issuer Servicer and the Swiss Issuer Special Servicer (as applicable) in writing (attaching a copy of the relevant Extraordinary Resolution) of its appointment.

The Controlling Class may by Extraordinary Resolution (notified in writing to: (a) the Note Trustee and the Issuer Security Trustee; and (b) the Issuer Servicer, the Issuer Special Servicer and/or the ATU Issuer Servicer and the ATU Issuer Special Servicer and/or the Swiss Issuer Servicer and the Swiss Issuer Special Servicer (as applicable)) terminate the appointment of any Operating Adviser. Any Operating Adviser may retire by giving not less than 21 days' notice in writing to: (a) the Noteholders of the Controlling Class (in accordance with the terms of Condition 15), the Note Trustee and the Issuer Security Trustee; and (b) the Issuer Servicer, the Issuer Special Servicer and/or the ATU Issuer Servicer and the ATU Issuer Special Servicer and/or the Swiss Issuer Servicer and the Swiss Issuer Special Servicer (as applicable).

Where:

"**Controlling Class**" means the most junior class of Notes (other than the Class X Notes) outstanding from time to time which meets the Controlling Class Test, provided that for so long as no class of Notes meets the Controlling Class Test, the Controlling Class shall mean the most junior class of Notes then outstanding.

A class of Notes shall meet the "**Controlling Class Test**" if at the relevant time it has a total Principal Amount Outstanding (after deducting any NAI Amounts) which is not less than 25 per cent. of the Principal Amount Outstanding of such class of Notes on the Closing Date and if no Class of Note has a Principal Amount Outstanding (after deducting NAI Amounts) that satisfies the requirements then the Controlling Class will be the most junior classes of Notes then outstanding.

Each Noteholder acknowledges and agrees, by its purchase of the Notes, that:

(a) the Operating Adviser may have special relationships and interests that conflict with those of the holders of one or more classes of the Notes;

(b) the Operating Adviser may act solely in the interests of the Controlling Class;

(c) the Operating Adviser does not have any duties to any Noteholders other than the Controlling Class;

(d) the Operating Adviser may take actions that favour the interests of the Noteholders of the Controlling Class over the interests of the other Noteholders;

(e) the Operating Adviser will not be deemed to have been negligent or reckless, or to have acted in bad faith or engaged in wilful misconduct, by reason of its having acted solely in the interests of the Controlling Class; and

(f) the Operating Adviser will have no liability whatsoever for having acted solely in the interests of the Controlling Class, and no holder of any other class of Notes may take any action whatsoever against the Operating Adviser for having so acted.

20. Limited Recourse

The ability of the Issuer to meet its obligations under the Notes will depend primarily on payments received by it in respect of the Issuer Assets, the Liquidity Facility Agreement and under

the Swap Agreement. In the event of non-payment, the only remedy for recovering amounts due on the Notes is through enforcement of the Issuer Security. If the Issuer Security is enforced, the proceeds of enforcement may be insufficient to pay all principal and interest due on the Notes, and neither the Note Trustee nor the Noteholders may take any further steps against the Issuer in respect of amounts payable on the Notes and all such claims against the Issuer shall be extinguished and discharged.

CERTAIN MATTERS OF DUTCH LAW

Introduction

The Dutch Loan is secured by commercial properties located in the Netherlands, pursuant to security interests created and perfected under Dutch law and the borrower in respect of the Dutch Loan is organised under Dutch law. As such, the laws of the Netherlands will impact upon the process by which the Dutch Related Security is enforced.

Enforcement of Mortgages and moveable assets and shares under Dutch Law

Under Dutch law, the enforcement of a mortgage over real property is, as a general rule, effected by way of a public auction undertaken before a civil law notary. The mortgagee is obliged to notify the mortgagor and any other persons who may be involved, of the fact that it wishes to enforce the mortgage by way of a public auction. Following this notification, the notary will proceed to set the date, time and place of the auction, at which the mortgaged property will be sold to the highest bidder.

From a timing perspective, there are certain relevant limitations to take into account under Dutch law in respect of the foreclosure procedure of a right of mortgage over real property. In addition to the possible mandatory ''cool-off'' period, which is described further below, the following periods apply which cannot be waived: It is common practice in the Netherlands that a foreclosure procedure is organised and managed by a Dutch civil law notary, in front of whom the property or properties will then also be transferred. Under Dutch law this transfer can only occur by notarial deed. Prior to a public sale, a notice will have to be sent announcing the foreclosure sale to the security provider and any other security holders. This notice has to be sent by a court bailiff, containing the proposed date of the public sale, the amount of the outstanding secured obligations and the name of the notary who organises the public sale. There must be a period of 30 days between the proposed date of the public sale and the date of the notice. In practice, this period will take 6 to 8 weeks. In this period either the mortgagee or the mortgagor could request the Dutch preliminary relief judge to approve a private sale of the mortgaged property. If such request is rejected a new date for the public foreclosure sale will have to be set within a period of 14 days. This would however cause a further delay. If there is furthermore a dispute in respect of the application of the foreclosure proceeds, further delays could occur due to the fact that in that case, as with respect to the allocation of foreclosure proceeds of rights of pledge, a statutory allocation procedure will have to be followed.

The enforcement of a pledge over moveable property and shares is also brought about by the pledgee selling them, usually in a public auction. However, in relation to the shares of private companies, it is unlikely that the public auction route would be adopted, firstly because there is generally no market for such shares and secondly because such an auction could constitute an offering of securities leading to a violation of Section 3(1) of the Act on the Supervision of Securities Trade (*wet toezicht effectenverkerr*, 1995) which prohibits an offer of securities in or from the Netherlands beyond a restricted circle, or the announcement of such an offer by means of advertisements or other documents.

The sale may only take the form of a private sale with the prior approval of a preliminary relief judge. When asking the preliminary relief judge's approval the security holder will have to make clear that a private sale would result in higher foreclosure proceeds than a public sale and that there are no other parties who are likely to offer a better price under similar conditions. The court approval is discretionary but is likely to be granted if the proceeds of the private sale are likely to be higher than the proceeds that would have been received if the assets were sold at a public auction.

In respect of rights of pledge, it is furthermore possible that the pledgor and the pledgee agree to an alternative foreclosure procedure after the rights of the pledge have become enforceable.

In respect of rights of pledge over shares in a Netherlands B.V. (a *besloten vennootschap*), the articles of association of these companies will contain a mandatory ''blocking clause'' in respect of a sale of the shares in its capital. In the case of a company of this type, the blocking clause in its articles requires the prior written consent of the general meeting of shareholders for any transfer. A pledgor, however, as provided by statute or in a company's articles of association, will have the right to exercise these consent rights on behalf of the general meeting of shareholders.

The Dutch Security Trustee will, therefore, also have to comply with obligations in this respect pursuant to the articles of association.

Limitations in respect of the conditional transfer of voting rights in respect of pledged shares

The share pledge as part of the Dutch Related Security, the ATU Related Security and the Karstadt Kompakt Related Security provides for a transfer of the voting rights in respect of the relevant shares subject to pledges governed by Dutch Law to the Dutch Security Trustee or the German Security Trustee, as applicable, on the occurrence of certain conditions such as events of default.

Although there is broad support in Dutch legal literature that a conditional transfer of voting rights and any approval thereof by the general meeting of shareholders of the company which shares are being pledged is valid and effective, this is not entirely certain as a result of Sections 2:198 and 2:195 of the Netherlands Civil Code and the provision of Dutch law that any such approval granted for the transfer of voting rights is only valid for three months. There is thus a risk that upon occurrence of an event of default the Dutch Security Trustee or the German Security Trustee, as applicable, will not be able to exercise the voting rights on the relevant pledged shares.

Enforcement of Pledges on Receivables under Dutch Law

Under Dutch law, a pledge of receivables (including, in the context of the Dutch Loan, rental receivables arising under occupational leases) may take one of two forms:

(a) a disclosed right of pledge (*openbaar pandrecht*), which is, as the terminology suggests, a pledge which is notified to the underlying debtor) or

(b) an undisclosed right of pledge (*stil pandrecht*), which is, as the terminology suggests, a pledge which is not notified to the underlying debtor.

For an undisclosed pledge, registration of the pledge is required with the Division, Large Enterprises of the Tax Authorities in the Netherlands, for the purposes of establishing the priority of the pledge.

A pledge of receivables is only effective if the pledgor has the power to dispose of the receivables at the time they are acquired. This limits the ability of a debtor to pledge receivables arising in the future if the debtor becomes subject to an insolvency prior to the receivables actually arising, since at that time, the debtor will not have the right to dispose of the receivables.

Rights of pledge on receivables can be foreclosed upon under Dutch law by way of collection (*inning*) of the related payment either through:

(a) in respect of undisclosed rights of pledge, a notification of the account debtor of these receivables of such rights of pledge; or

(b) in respect of disclosed rights of pledge, termination of the authorisation that may have been given by the pledgee to the pledgor to collect payment of these rights and receivables;

after which the account debtor can only discharge its obligations by paying to or to the order of the pledgee. Under Dutch law only the highest ranking security holder will have this collection right.

An alternative way to enforce these security rights would be to sell these rights and receivables in a foreclosure sale. This sale must take the form of a public sale unless the approval of the Dutch preliminary relief judge is obtained for a private sale to occur. When asking the preliminary relief judge's approval the security holder will have to make clear that the private sale would result in higher foreclosure proceeds than a public sale and that there are no other parties who are likely to offer a better price under similar conditions. Also any holder of a lower ranking security right would have the right to sell the respective secured assets in such a foreclosure sale, albeit only subject to any higher ranking security rights to which the rights and receivables would be subject. A foreclosure of security rights on rights and receivables by way of a foreclosure sale is not very common in the Netherlands, especially by a holder of a lower ranking security rights since it can only sell the respective secured assets subject to the higher ranking security right.

From a timing perspective there are no relevant limitations under Dutch law in respect of the foreclosure procedure of a right of pledge whether by way of collection or by way of a foreclosure

sale of the rights and receivables over which such right of pledge is established other than the possible mandatory ''cool-off'' period, which is further described below. The only statutory notice periods that may apply have been waived by the Dutch Borrower, to the extent possible under Dutch law, other than any notice period that may result from the ''blocking clause'' in respect of the share pledge as referred to above. If the security holder would wish to sell the receivables in a private sale, consent of the preliminary relief judge is required which could cause a delay. Furthermore, if there is a dispute in respect of the application of the foreclosure proceeds, a delay could occur due to the fact that in that case a statutory allocation procedure will have to be followed.

Implications of Insolvency

Dutch law recognises two types of insolvency proceeding:

(a) suspension of payments (*surseance van betaling*). In this form of insolvency proceeding, the debtor is given temporary relief from its creditor's claim in order that it may reorganise and rehabilitate its business. This is, therefore, an insolvency regime focussed on rehabilitation of the debtor; and

(b) bankruptcy (*faillissement*). In this form of insolvency proceeding, the debtor's assets are liquidated in order to pay the claims of its creditors. This is, therefore, an insolvency regime focussed on satisfying the claims of creditors rather than the rehabilitation of the debtor.

As a general rule, a suspension of payments only affects unsecured creditors, and to that extent, secured creditors should not, as a matter of Dutch law, be prejudiced by the commencement of either form of insolvency proceeding. However, a secured creditor may be prejudiced if, in the context of a bankruptcy or a suspension of payments in certain respects, the most important of which are:

(i) in respect of rights of pledge over rights and receivables, payments received by the security provider prior to notification of the account debtor of these rights and receivables of such rights of pledge or termination of the authorisation given by the security holder to the security provider to collect payment of these rights and receivables after bankruptcy or moratorium of payments of the security provider will be part of the bankrupt estate of the security provider, albeit that the security holder will be entitled to such amounts by preference after deduction of general bankruptcy costs (*algemene faillissementskosten*);

(ii) a mandatory ''cool-off'' period may apply in case of bankruptcy or moratorium of payments of the security provider in each case of up to a maximum period of four months (and if bankruptcy immediately follows a suspension of payments, this period may be a maximum of eight months), which, if applicable, would delay the exercise of the security rights (the authority to collect any rights and receivables by the security holder would not be delayed or affected by the ''cool-off'' period); and

(iii) the security holder may be obliged to enforce its security rights within a reasonable period as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of the security provider. If the security holder, however, fails to do so within such reasonable period of time, the receiver may sell the assets himself in the manner provided for in the Dutch Bankruptcy Code. In the latter case, the security holder will still be entitled to any proceeds of such foreclosure by preference but only after deduction of general bankruptcy costs and subject to the satisfaction of higher ranking claims of creditors.

Transaction Avoidance under Dutch law

Dutch law recognises the principle that, under certain circumstances, transactions entered into by a debtor prior to the onset of insolvency can be set aside or invalidated. Such avoidance may occur as a result of an *actio pauliana*, which is a transaction avoidance theory under Dutch law.

For there to be an *actio pauliana* in respect of voluntary legal acts by a debtor, the following conditions must be satisfied:

(a) there must be a legal act by the debtor;

(b) that legal act must have been conducted by the debtor voluntarily;

(c) as a consequence of the relevant legal act, the other creditors of the debtor must suffer prejudice;

(d) the debtor must have knowledge of the prejudice to which other creditors are exposed; and

(e) in the event that the debtor receives any consideration for performing the legal act, the debtor's counterparty in respect of that act must also have knowledge of the prejudice to other creditors.

For there to be an *actio pauliana* in respect of obligatory (as opposed to voluntary) legal acts by a debtor, the following conditions must be satisfied:

(a) there must be a legal act by the debtor;

(b) the performance of such legal act by the debtor must be obligatory;

(c) as a consequence of the relevant legal act, the other creditors of the debtor must suffer prejudice;

(d) the person receiving the payment must know that the insolvency of the debtor had been requested or the payment resulted from the conspiracy between the debtor and the person receiving the payment aimed at preferring the interest of that person over the interests of other creditors of the debtor.

Parallel Debt Arrangements

The Issuer does not have a direct claim against the Dutch Borrower which is secured by the Dutch Related Security. However, the Dutch Related Security, including the mortgages over the relevant Properties, has been granted in favour of the Dutch Security Trustee, to which a parallel debt has also been granted.

The parallel debt arrangement gives the Dutch Security Trustee the right to enforce the Dutch Related Security and the Dutch Loan Sale Agreement stipulates that the Dutch Security Trustee apply the proceeds of enforcement, to the extent that such proceeds are to be allocated to the Issuer in accordance with the Dutch Loan, to the Issuer or the Issuer Security Trustee, as applicable, to be applied in accordance with the Post-enforcement Priority of Payment.

While the parallel debt structure has been used in the context of financing transactions in the Netherlands, there is no case law, in the Netherlands, which establishes its efficacy.

CERTAIN MATTERS OF GERMAN LAW

This section summarises certain German law aspects and practices in force at the date hereof relating to the transactions described in this Offering Circular. It does not purport to be a complete analysis and should not, therefore, be treated as a substitute for comprehensive professional, legal and tax advice on the relevant matters, nor on any such issue which may be relevant in the context of this Offering Circular.

Introduction

Each of the German Loans shall (subject to completion, in certain circumstances, of registration requirements) be secured by commercial properties (and multifamily properties in respect of one German Loan) located in Germany, such security being granted pursuant to security interests created and perfected under German law and the borrowers in respect of the German Loans (other than the borrowers in respect of the ATU Loan, the Jargonnant Loan and the Karstadt Kompakt Loan) are entities organised under German law. As such, the laws of Germany will impact upon the process by which the German Related Security is enforced. Further, the laws of Germany will determine how the insolvency of the German Borrowers will affect the enforcement of the German Related Security.

Enforcement of the German Related Security

Enforcement of Mortgages

Pursuant to the German Compulsory Auction and Compulsory Administration of Immoveable Property Act ("**ZVG**"), enforcement of a mortgage under German law is effected either by way of:

(a) a compulsory sale of the mortgaged property; and/or

(b) a compulsory administration of such mortgaged property.

In the case of a compulsory sale, the court will effect the sale of the mortgaged property by way of a public auction. The leases relating to the property will continue during the enforcement procedure. Only the purchaser of the mortgaged property has a right to terminate all or any of the leases, provided that contractual or statutory termination rights are applicable. The net proceeds of the sale of the mortgaged property (less certain enforcement costs and payment to certain categories of preferred creditors) will be applied to reimburse any amounts due and unpaid to the mortgagee. In normal circumstances, the entire auction and sale process may take at least one year or longer.

In a compulsory administration, which can be started immediately after attachment (*Beschlagnahme*) of the mortgaged property, the court will appoint an administrator (*Zwangsverwaltung*) to administer such property on behalf of the mortgagee. The administrator is entitled to receive all income generated from the property including all rents and insurance claims. The administrator will collect the Rental Income and any proceeds from the mortgaged property on behalf of the mortgagee and apply the monies as so collected, after having made payment to certain categories of preferred creditors, in the discharge of the secured debt in accordance with the terms of the relevant mortgage loan agreement and the related security interests.

Enforcement of Share/Limited Partnership Interest Pledges

Under German law, the enforcement of a pledge over shares is brought about by the pledgee selling the shares in a public auction. However, in relation to the shares of private companies or limited partnership interests, it is unlikely that the public auction route would be adopted. As an alternative, a private sale (*freihändiger Verkauf*) can be effected to enforce the relevant pledge with the prior consent of the pledgor.

Enforcement of Pledges on Receivables

Enforcement of a pledge of receivables (including monies standing to the credit of a bank account) under German law essentially involves self help on the part of the pledgee. The pledgee is, after the pledge has become enforceable, entitled to collect the pledged receivables from the underlying debtor and apply the receivables as so collected in discharge of the secured debt. However, once insolvency proceedings have been commenced with respect to the assignor, the assignee is barred from enforcing the receivables. The receivables will be collected by the insolvency administrator of the assignor. The insolvency administrator will have to pass on such collection (less fees and expenses) to the secured party.

Enforcement of Security Assignments of Receivables

Enforcement of receivables which have been assigned by way of security under German law essentially involves also self help on the part of the assignee. The assignee is, after the security assignment has become enforceable, entitled to collect the assigned receivables from the underlying debtor and apply the receivables as so collected in discharge of the secured debt.

Subordination

Under certain circumstances a financing bank, such as the German Originator or the Issuer after acquisition of the German Loans, may be excluded from demanding repayment of its claims against the Borrowers who are German limited liability companies or limited partnerships as an ordinary creditor, namely if it has a degree of control over the management of the company or partnership which brings it in a shareholder-like position.

If a shareholder of a German limited liability company (*Gesellschaft mit beschränkter Haftung* (a "**GmbH**")) or German limited partnership (*Kommanditgesellschaft* (a "**KG**")) has granted, extended or did not accelerate, when permitted, a loan to a GmbH or KG at the time when such GmbH's or the general partner of the KG's registered share capital is, in the opinion of a prudent merchant (*ordentlicher Kaufmann*), inadequate, then, in the financial crisis of such GmbH or KG and/or in insolvency proceedings over such GmbH's or KG's assets, the shareholder is, pursuant to § 32a of the German Limited Liability Company Act (GmbH-Act), excluded from demanding repayment of such loan as an ordinary creditor. The same rule applies with respect to other payment claims of the shareholder against the GmbH or KG. In addition § 32a GmbH-Act applies to loans which have been entered into prior to the financial crisis), but have not been terminated at the time when the financial crisis occurred (**Implied Continuation**). For the purpose of § 32a GmbH-Act a company or KG is deemed to be in a financial crisis if the company is either insolvent, i.e. over-indebted (*überschuldet*) or illiquid (*zahlungsunfähig*) or not creditworthy (*nicht kreditwürdig*), i.e. no third party would enter into loans/ leases with the company on market terms. The Federal High Court (*Bundesgerichtshof*) held in 1992 that a financing bank which had received the benefits of a pledge of the interest of the limited partner in a GmbH & Co. KG to which it had extended a loan, was subordinated with respect to its claim for repayment due to a combination of restrictive covenants, consent requirements, performance-based interest payments and security over typical shareholder rights such as dividend rights, participation rights in liquidation proceeds and proceeds from the sale of the company. In all circumstances (other than actions in bad faith) a termination of the German Loan Agreements prior to the financial crisis of a Borrower will avoid an Implied Continuation and thus the application of § 32a GmbH-Act.

Implications of Insolvency

Under German law, one of the three following alternative regimes may be adopted in the event of a debtors insolvency.

(a) Liquidation (*Verwertung der Insolvenzmasse*). In this case, the debtor's assets are liquidated in order to pay the claims of its creditors. This is, therefore, an insolvency regime focused on satisfying the claims of creditors rather than the rehabilitation of the debtor;

(b) Insolvency plan (*Insolvenzplan*). In this case, the debtor is given temporary relief from its creditor's claims in order that it may reorganise and rehabilitate its business pursuant to an insolvency plan agreed with the relevant creditors. This is, therefore, an insolvency regime focussed on rehabilitation of the debtor, rather than on distribution of the debtor's assets; and

(c) Self-management (*Eigenverwaltung*). In this case, the debtor may reorganise and rehabilitate its business under the supervision of the creditors' trustee (*Sachwalter*). This is, also, an insolvency regime focused on rehabilitation of the debtor, rather than on distribution of the debtor's assets.

As a general rule, the secured creditors should not be prejudiced by the commencement of any of the above insolvency proceedings against the debtor.

Transaction Avoidance under German law – *Insolvenzanfechtung*

German law recognises the principle that, under certain circumstances, transactions entered into by a debtor prior to the onset of insolvency can be set aside or invalidated by the insolvency administrator or the creditors' trustees (*Sachwalter*) in case of self- management procedure.

Such avoidance (*Anfechtungsgründe*) may occur as a result of the following events: congruent correspondence (*Kongruente Deckung*), incongruent correspondence (*inkongruente Deckung*), directly detrimental transactions (*unmittelbare nachteilige Rechtshandlungen*), intentionally harmful actions (*vorsätzliche Benachteiligung*) and performance without consideration (*unentgeltliche Leistung*). More generally, any act or omission (*Handlung oder Unterlassung*) of the debtor or a third party is subject to a right of rescission (*Insolvenzanfechtung*) if such act or omission causes a detriment of the insolvency creditors.

The hardening periods range from 1 month to 10 years and depend on the specific reason for voiding the transaction. The claim to void a transaction shall be time-barred (*Verjährung*) pursuant to the rules on regular prescription (*Regelmäßige Verjährung*) under the German Civil Code (*Bürgerliches Gesetzbuch*). Under normal circumstances, the regular prescription period for claims is three years and begins on the last day of the year during which such claim came into existence and the creditor becomes aware thereof.

Statutory Rights of Tenants

In certain circumstances, a tenant of a property may have legal rights against its landlord that may delay the payment of rent, or reduce the amount of rent payable, to the landlord, or which may impact upon the ability to remove a tenant from occupation in the event of its insolvency. German law provides for certain mandatory statutory rights for commercial tenants and multifamily tenants.

Such rights in particular relate to adjustment of rent, termination rights, eviction of tenancy, rights to withhold rent in case of defects of the property, rights to restrict the ability of the landlord to pass on maintenance, renovation or repair obligations to the tenants.

Adjustments of Rent

Automatic rent adjustment clauses are common in leases governed by German law. As a matter of principal, such clauses become effective once approved by the Federal Economics Office (*Bundesamt für Wirtschaft*). This type of clause in lease agreements is considered to be approved if the following conditions are fulfilled: (a) the revision of the rent is determined on the basis of a specific index calculated by the Federal Statistics Office or a state statistics office in one of the individual federal states for the overall cost-of-living, or a consumer index calculated by the Statistics Office of the European Community or on the basis the index representing prices for goods or services that are produced or rendered by the lessee as part of its business; (b) the lease must have been concluded or must be binding on the lessor for a period of ten years at least; (c) the index clause must benefit each party equally, enabling adjustment of rent upwards and downwards; and (d) the rent must not change out of proportion to the percentage change in the cost-of-living index. If an automatic rent adjustment clause is found invalid, the rent is not adjusted automatically and the parties of the lease must try to find agreement upon an adequate increase of the rent. There is no legal obligation to accept an increase subsequent to the entering into the Loan Agreements.

Term Leases under German Law

With respect to lease agreements which are governed by German law and which have been entered into for a specified term, German law provides that such agreements need to be made in writing and need to be fixed together in order to be valid term leases. In case that the written form requirement has not been complied with any such lease agreement will be deemed to be a lease for indefinite time, and the relevant lessee will be entitled under statutory law to terminate such lease at its discretion in accordance with statutory notice periods.

Termination of Rental Agreements

Termination of Lease by the Tenant

The rights of a tenant to surrender a lease prior to its contractual term depend on the respective agreement and on the individual circumstances.

In particular, under German law, a clause which restricts rights of the tenant may not be valid if it is part of standard terms and conditions, but this depends on the specific clause and wording.

In principle, it can be said that the mandatory rights of a tenant with respect to multifamily properties are wider than the rights of a tenant with respect to commercial properties because of special legislation applying to multifamily tenancies. Insofar as the relevant leased space in the current transaction is concerned, the majority of the space is commercial space, however, there is also some multifamily space. In the following we set out the rules applying to commercial leases entered into between merchants as tenant and landlord and specifically refer to special rules applicable to multifamily leases where this is applicable.

Contract Period

If the tenancy agreement specifies the duration of the contract, the agreement will be terminated on the specified date.

If the tenancy agreement does not specify a specific duration (including if the lease has been entered into for an undetermined time), it can be terminated by the tenant at any time with the notice periods set out in the lease agreement or, if the lease agreement does not provide notice periods, such period specified under German law. A commercial lease which has been entered into for an undetermined time can be terminated by the tenant at the latest on the third working day of a calendar quarter with effect as of the end of the next following calendar quarter. Special notice periods apply to multifamily leases where the tenant in principle is, under mandatory law, always entitled to terminate the lease at the latest at the third working day of a calendar month with effect as of the end of the second calendar month following such calendar month. Special rules apply to special, non-standard types of multifamily leases.

A contract for a specified tenancy period longer than one year needs to be in written form, otherwise the tenant has a right to give notice within the legal notice period. Even if both, offer and acceptance of a lease for a specified time were in written form, the contract may not be deemed to be a contract in written form if the period between offer and acceptance is deemed to be too long. In this case the acceptance is seen as a new offer which has been accepted by using the property and paying and accepting rent. In such case, the lease would be deemed to be a lease for an undetermined time even if a specific lease period is specified in the contract. So far, it cannot be determined how many days between the declarations trigger the new offer since the relevant applicable court decisions differ from each other. Insofar as the lease agreements in the current case are concerned, we do not know whether the lease agreements were signed by the landlord and the tenants at the same day or whether a certain period of time has lapsed between signing by the landlord and signing by the tenant. Accordingly, we cannot make any statement as to whether the lease agreements have effectively been executed for a specified period of time or for undetermined time.

Insofar as multifamily leases are concerned, the provision of a specified duration is only allowed where the landlord requires the space after such time for its family, or where the landlord has the intention to materially change or destroy such space or where the landlord intends to lease such space to its employees after the termination of such period. In case that none of the above scenarios applies, a provision of a specified time is deemed not to exist and accordingly, the lease can be terminated by the tenant at any time under applicable law. However, multifamily leases concluded prior to 1st September 2001 are (in principle, with some exemptions) governed by different rules since the aforementioned provisions on tenancy agreements entered into force only on that day. With respect to agreements within the scope of the provision in force prior to 1st September 2001, a provision of a specified duration is valid even if the landlord does not require the space for the purposes set out above. Therefore, such contracts will be terminated on the specified date. However, the tenant has the right to demand an extension of the contract if (a) the landlord does not have a legitimate interest to terminate the contract, (b) the contracting period was longer than five years, (c) the landlord does not require the space after such time for its family, (d) the landlord does not have the intention to materially change or destroy such space, (e) the landlord does not intend to lease such space to its employees or if the landlord did not notify the tenant of his intentions at the time the agreement was concluded. If a contract concluded prior to 1st September 2001 includes an option to extend the contract after the specified termination date, the tenant may either exercise his option or demand an extension due to the above mentioned reasons. If such an agreement includes a provision for automatic extension, it will be ex-tended if no notice of termination is given by either party. Insofar as the relevant leased

space in the current transaction is concerned, most of the multifamily leases fall under the scope of the law in force prior to 1st September 2001.

The contract will also be terminated if the tenancy agreement includes an option to extend the contract period, but the option is not exercised.

If the tenant uses the property after the termination date and neither tenant nor lessor expressly state within two weeks following such termination date that the contract shall not be extended, the contract will be extended for an undetermined time. Such an extension for an undetermined time may be expressly excluded in the contract.

Notice of Termination

If a lease is entered into or deemed to be entered into for an undetermined time, the tenant or the lessor may terminate the lease agreement by way of notice of termination. In case of rented premises used for commercial purposes the notice of termination does not have to follow a certain form unless otherwise agreed. In the case of rented premises used for multifamily purposes, a written notice is mandatory.

A regular notice of termination has to be given on the third working day of a quarter for the next quarter in the case of commercial premises. This period of notice applies irrespective of the length of the period of tenancy. In the case of multifamily accommodation, there is a three month notice period. The notice needs to be handed in by the third working day of the first month. If the notice of termination specifies a termination date which does not comply with German law, the notice of termination is not deemed to be invalid, but instead the notice period will be extended in compliance with German law.

In the case of (a) tenancy agreements which validly specify a period of time for the lease, (b) agreements with a valid option to extend the contract, (c) where the contract validly excludes the right for contractual notice of dismissal or (d) if a long period of notice has been validly agreed on, German law may provide for special rights of termination as set out below.

After 30 years calculated from the date from which the premises were contractually let to the tenant, each party may terminate the contract within the legal period of notice unless the contract was concluded for a lifetime. This special right of termination of the contract applies in cases where the contract was intended to be a long-term contract and not in cases where options for extension have been exercised. In cases of a voluntary extension of a formerly determinable contract, the 30-years period begins with the date of extension.

If the tenant dies, a special right of termination with a one month period of notice calculated as of the day of death, the day of knowledge of the death or as of the day on which the beneficiary gained knowledge of the inheritance applies. This right does also apply if the personally liable partner of a limited partnership or a general commercial partnership dies. This special right of termination is not binding law and may therefore be excluded by contract.

In the case of business premises, the lessor is not obliged to accept subletting. If the lessor does not permit subletting on demand by the tenant, the tenant may terminate the contract within the legal notice period, unless there is good cause against the third party (*wichtiger Grund in dritter Person*), e.g. a substantial change in the use of the property, frequent change in (sub-)tenants, etc. This right for termination may be excluded by individually negotiated contracts. Please note, that neither subletting nor the termination rights may be excluded by standard terms and conditions if a contract period is specified.

The tenant may also terminate the contract within two months if the lessor intends replacements which the tenant would be legally obliged to tolerate unless refurbishments have only minimal impact on the premises.

Extraordinary Notice of Cancellation

There are certain cases under German law in which the tenant may terminate the tenancy agreement without having to comply with notice periods or even where a specified term has been agreed on. Some of the cases are codified by law, others are only based on case law. Court decisions in cases of an extraordinary notice of cancellation are always determined by the individual circumstances of the case. They largely depend on a compromise between conflicting interests. Therefore, the different reasons for termination as set out below may not always actually constitute a right for termination.

The tenant may terminate the contract if the lessor does not surrender use of the property or does not (or not any more) allow for the use of the property. The same applies in cases where the rented property is in a condition that is unacceptable with respect to the contractual purpose. Please note that this extraordinary right of cancellation is subject to granting a remedial period.

The right of cancellation also applies in the case of a health hazard with respect to the rented property such as intolerable odours, noise level, etc.

Some court decisions have ruled that a tenant may terminate the contract without giving prior notice if the landlord has given an extraordinary notice of cancellation without due cause.

In cases where the tenant has to terminate business operations due to personal or economic reasons, the lessor may be obliged to accept a new tenant.

In rare cases a frustration of the contract may give the tenant a right of cancellation.

Cancellation Agreement

The parties to a tenancy agreement are always free to negotiate a cancellation agreement and to end a contract without complying with legal or contractual notice periods.

Liquidation of a Corporation

The dissolution of a corporation with subsequent cancellation of entry into the commercial registry terminates the tenancy agreement.

Termination by Way of Administrative Act

The tenancy agreement may be terminated by way of administrative order if the real estate is situated in a reallocation area, in case of expropriation or where realising the aims and purposes of redevelopment in a formally designated redevelopment area, requires the termination of a tenancy agreement.

Termination in an Insolvency of the Tenant

If insolvency proceedings have been commenced with respect to the tenant, the insolvency administrator may at any time terminate the lease agreement applying the statutory notice periods, even if the property is a commercial property and the lease has been entered into for a specified period of time.

Eviction of Tenant

If a tenant defaults on its rent payments for two months, the landlord may give notice of termination of the lease. The landlord can also apply for a court order to evict the tenant from the property. The tenant has the right to object to the eviction process and appeal against any judgment if eviction would cause an ''unsustainable hardship'' for the tenant (usually not the case with commercial property). The tenant can stay in the property until a court order for eviction is obtained. If the tenant does not leave the property after an eviction notice is served on him, bailiffs may be used to evict him. The enforcement procedure may take between one and two years.

Environmental Laws

Under German law, the rules on rehabilitating contaminated sites are contained primarily in the Federal Soil Protection Act (*Bundesbodenschutzgesetz*). The persons who may be responsible for the rehabilitation of a particular property includes, among others, (a) any person who caused harmful change to the soil (*Handlungsstörer*) and such person's universal successor (*Gesamtrechtsnachfolger*), (b) the owner of the property (*Zustandsstörer*) and, under certain conditions, the former owner, and (c) the party exercising actual control over the property. Any of such persons can be held liable by the competent public authorities for the soil and/or groundwater investigation monitoring and clean-up.

As a matter of principle, a mortgagee in respect of a mortgage over a contaminated property is not liable for the soil and/or groundwater investigations or clean-up of such property prior to the enforcement of the mortgage. Moreover, under current German law, the mortgagee does not take possession of a property upon enforcement of the mortgage and it is generally considered unlikely that a mortgagee would incur a liability. However, if the public authority has cleaned-up the property, any unpaid expenses due to such public authority will rank ahead of the creditor's claim.

Zoning

German law provides for detailed regulations on the procedures and circumstances under which land can be developed. The Federal Building Act (*Baugesetzbuch*) defines the competences on federal, state and municipal level to ensure a resourceful use of the land and a well-structured settlement policy. Among the key principles included in this statute are the conservative utilization of the land and the limitation of an expansion of housing development areas.

In the context of municipal planning, the zoning activities are generally coordinated and harmonized. The utilization planning is based on the municipal zoning law and lays down the utilization of the land for everybody. A binding separation between a building zone and a non-building zone is made and the possibilities of use are laid down in the utilization or zoning plans. Construction activities are generally only allowed in construction zones and are subject to authorization by the body designated by the respective state law. Depending on the type of building and depending on the relevant state law, it is a necessary requirement in order to obtain a construction permit that buildings and facilities are in accordance with the purpose of the utilization plan and that the land is already developed as well as suitable and necessary for building activities.

Building Law

In the context of public building law, the German authorities at federal, state and municipal level are provided with legislative and regulatory competences. The actual building regulations are en-acted by the 16 states and applied by municipal or district building authorities. This has resulted in 16 different state building statutes. The building law rules at federal level, which are supplemented by the state statutes, only focus on selected aspects.

The freedom to build, which is derived from the right of freedom of having property and other constitutional rights, is restricted by rules of public building law. The public building law contains on the one hand, material construction rules, especially those about basic requirements of buildings and facilities, as well as admissible utilizations of land, and on the other hand formal rules which regulate the constructional procedures.

Any breach of zoning or building laws may lead to a prohibition to use the relevant building or an order to change the construction of a building or an order to destruct the building or other appropriate orders.

Hereditary Building Rights

Hereditary building rights (*Erbbaurechte*) (“**HBR**”) are rights created by the holder of the full title to the relevant real estate (the “**Real Estate Owner**”) in favour of itself or a third party (the “**HBR Holder**”) which grant the relevant HBR Holder the in rem property right to have a building on or below the surface of the relevant real estate.

HBRs are created by registering the HBR in the relevant special section for HBRs of the relevant land registry against payment by the relevant HBR Holder of a one-off payment or periodic rental payment (*Erbbauzins*). The obligation to pay rentals can registered as charge on the HBR. In addition to such payment obligations, the agreement creating the HBR may provide for a number of obligations attaching to the HBR which would be registered in the land registry and would be obligations of each current or future HBR Holder (for example, an obligation to erect and maintain the relevant building, to insure the building, to pay public charges attaching to the real estate, pre-emption rights and other obligations).

In general, HBRs are created for a certain period of time. Often, extension options are also included and registered in the HBR section of the land registry. In principle, HBRs cannot be terminated unilaterally by the Real Estate Owner prior to the end of the term of the HBR but the HBR can provide that the HBR is to be transferred by the HBR Holder to the Real Estate Owner upon the occurrence of certain predefined events (*Heimfallanspruch*) (which events need to be registered in the land registry). The agreement creating the HBR normally provides that, in the event of the occurrence of such *Heimfallansprüche*, compensation will be payable and that the amount of such compensation will depend upon the time period that the HBR has been in effect. The same applies upon the termination of the HBR upon the expiry of the term of the HBR. If the agreement creating the HBR does not provide for an explicit compensation scheme, the HBR Holder will have a statutory right to receive an appropriate (*angemessene*) compensation for the building. The sum an HBR Holder may claim for the building depends on its fair market value at

the time of reversion (*Heimfall*) or expiry of term and depends on the value of the building, the realisation value of the HBR and the value of the right to use the land for the Real Estate Owner.

In lieu of paying compensation to the HBR Holder upon expiry of the term of the HBR, the Real Estate Owner may, prior to the termination of such right, grant the HBR Holder an HBR for the whole period the building is likely to exist on the land (*Standdauer*). If the HBR Holder refuses to accept such an extension of the HBR, it would lose its compensation claim.

HBRs can be used as security by creating a mortgage over the relevant HBR. The agreement creating the HBR may, however, provide that the consent of the Real Estate Owner is required: (a) to create the relevant mortgage on the HBR; and (b) to dispose of the hereditary building rights in an enforcement of the relevant mortgage through auction proceedings or otherwise.

If a required consent for the creation of a mortgage on the HBR is not granted, the relevant mortgage on the HBR will not be registered in the land register and, therefore, will not come into existence. However, in case of such refusal, the relevant HBR Holder may initiate court proceedings to seek a court order to replace the Real Estate Owner's consent to the mortgage with the consent of the court based on a need for legal relief. There may be some delay in obtaining such order and there can be no assurance that a court will make an order replacing the relevant Real Estate Owner's consent with that of the court. Furthermore, such consent might only be granted with respect to a mortgage which complies with an orderly economical behaviour (*ordnungsgemäße Wirtschaft*) and which has a nominal value that is materially lower than the value of the HBR as determined in the valuation.

Furthermore, in order to enforce a mortgage granted over an HBR by way of compulsory sale (*Zwangsversteigerung*) of the relevant HBR, the additional (express) consent to such enforcement by way of compulsory sale will need to be obtained from the relevant Real Estate Owner if the agreement creating the HBR requires the consent of the Real Estate Owner to a sale of the HBR. The absence of such consent to enforcement by way of compulsory sale can result in a delay in the enforcement process in respect of the relevant HBR of several months and may in some circumstances prevent an enforcement of the mortgage by way of compulsory sale if the relevant consent cannot be obtained from the Real Estate Owner or, alternatively, from the court. However, where the relevant Real Estate Owner withholds its consent without good cause, the relevant holder of the mortgage can apply to the court for an order replacing the Real Estate Owner's consent with that of the court thereby allowing the enforcement by way of compulsory sale of the HBR, if it can be established, among other things, that such consent to enforcement is necessary in the circumstances and the contemplated acquirer of the HBR is reliable and it is secured that the contemplated acquirer is able to and will comply with the obligations arising from the HBR.

Liability for VAT

The Loan Agreements typically provide for the relevant Borrower to pass on VAT received from tenants to the competent fiscal authorities and to report to the relevant lender on tax matters regularly. If a Borrower failed to account for VAT to the competent fiscal authorities in breach of this obligation, there is a risk that, pursuant to Sec. 13c of the German VAT Code (*Umsatzsteuergesetz*), the German Security Trustee as the holder of assets such as the assigned rental claims may become subject to liability to account for VAT paid by tenants to the Borrower, but not passed on by the Borrower to the competent fiscal authorities, until (a) the German Security Trustee becomes aware of such breach, and (b) the tenants are notified to pay rent and VAT directly to the German Security Trustee. In such event, the German Security Trustee would be entitled to be indemnified from the assets charged to it which would reduce the assets available to meet the relevant Borrower's obligations in respect of the relevant Loan.

CERTAIN MATTERS OF LUXEMBOURG LAW

This section summarises certain Luxembourg law aspects and practices in force at the date hereof relating to the transactions described in this Offering Circular. It does not purport to be a complete analysis and should not, therefore, be treated as a substitute for comprehensive professional, legal and tax advice on the relevant matters, nor on any such issue which may be relevant in the context of this Offering Circular.

Introduction

The Borrowers in respect of the Coop Loan and the Jargonnant Loan are organised under Luxembourg law. The Borrowers in respect of the Procom Loan have also moved their centres of administration (*tatsächlicher Verwaltungssitz*) to Luxembourg. As such, the laws of Luxembourg will impact upon the process by which the Related Security granted by such Borrowers is enforced. Further, the laws of Luxembourg will determine how the insolvency of such Borrowers will affect the enforcement of the relevant Related Security.

Enforcement of Pledges governed by Luxembourg law

The enforcement of a pledge of shares which are not listed on a regulated market may be carried out in the following ways as provided for by Luxembourg law of 5th August 2005 on financial collateral arrangements. The pledgee may:

(a) appropriate the shares at a price determined by the agreed upon valuation method;

(b) assign, or cause to be assigned, the shares by private sale in a commercially reasonable manner, by sale over a stock exchange or by public auction; or

(c) cause a judgment to be issued ordering that the pledgee retain the shares as payment up to the amount of the pledgee's claim, in accordance with an expert valuation.

In normal circumstances, the public auction procedure usually takes approximately two months. Obtaining a judgment from a competent court may take several months.

Implication of Insolvency

Luxembourg courts will have jurisdiction to commence insolvency proceedings against any of the Borrowers that have their principal place of business in Luxembourg (which, failing evidence to the contrary, is deemed to be the place of their registered office) and shall apply Luxembourg insolvency law to the insolvency of such Borrower.

Under Luxembourg law, a company is insolvent when it is unable to meet its current liabilities.

The insolvent debtor, any unpaid creditor or the public prosecutor may file a request to commence insolvency proceedings.

(a) The insolvent debtor is required to file a request for the commencement of an insolvency proceeding with the relevant court within one month of the date on which the debtor becomes insolvent (*cessation des paiements*), that is when the debtor is unable to meet its current liabilities.

(b) Any unpaid creditor may file a request to commence insolvency proceedings against a debtor. The creditor must prove that the debtor is actually unable to meet its current liabilities.

(c) The public prosecutor may file a request to commence insolvency proceedings against a company. The public prosecutor must prove that the debtor is actually unable to meet its current liabilities.

(d) The court may also commence insolvency proceedings on its own motion when it has evidence that a debtor is insolvent.

In all four cases, a judgment will open the insolvency proceedings. When a court orders the opening of insolvency proceedings, the court will appoint a receiver who will investigate the affairs of the debtor and manage its business during the insolvency proceedings. The receiver will also conduct the liquidation of the debtor under the supervision of the competent court.

In addition, when a debtor finds itself in financial difficulties but is not yet insolvent, it can seek to benefit from pre-insolvency proceedings known as ''controlled management'' (*gestion contrôlée*) and ''suspension of payments'' (*suspension des payments*). Both arrangements will

usually include stays in respect of payments or waivers of debts and suspend any enforcement measures carried out by the relevant secured creditor.

Transaction Avoidance under Luxembourg law

Certain transactions made by a company during the period from the date of *cessation des paiements* (which date can be fixed at any time up to 6 months prior to the date of the order declaring the opening of the insolvency) or ten days prior to that date the court declared the commencement of insolvency proceedings (the period is known as the suspect period (*période suspecte*) could be set aside or invalidated.

These include in particular payments of debts before they are due as well as mortgages and charges granted by the debtor to secure previous debts.

The court may also declare null and void any transaction entered into by the debtor after the deemed insolvency date, if it is proved that the other party had actual knowledge that the debtor was insolvent when it entered into such transaction or if a transaction was entered into to defraud other creditors' rights whether before or after the deemed insolvency date.

CERTAIN MATTERS OF SWISS LAW

This section summarises certain Swiss law aspects and practices in force at the date of this Offering Circular relating to the transactions described in this Offering Circular. It does not purport to be a complete analysis and should not, therefore, be treated as a substitute for comprehensive professional, legal and tax advice on the relevant matters, nor on any such issue which may be relevant in the context of this Offering Circular.

Introduction

The Swiss Loan is secured by commercial properties located in Switzerland, pursuant to security interests created and perfected under the laws of Switzerland and the Borrower in respect of the Swiss Loans is an entity organised under Luxembourg law. In addition, the Swiss Loan is secured by a pledge of shares governed by the laws of Luxembourg. As such, the laws of Switzerland and Luxembourg will impact upon the process by which the Swiss Related Security is enforced. Further, the laws of Luxembourg and Switzerland will determine how the insolvency of the Swiss Borrower will affect the enforcement of the Swiss Related Security and the extraction of value from the Swiss Related Security.

Enforcement of the Swiss Related Security

Mortgages

Under Swiss law, enforcement of a mortgage essentially involves the following steps:

(a) an introductory phase (*Einleitungsverfahren*): in order to start enforcement proceedings, the mortgagee must file a petition with the relevant enforcement office (*Betreibungsamt*) requesting the enforcement of the mortgage. A writ requesting payment of the unpaid sum is served on the mortgagor providing a minimum of 6 months deadline for payment; and

(b) after the expiry of the deadline mentioned above, the mortgagee must file a petition (*Verwertungsbegehren)* with the relevant enforcement office requesting forced sale of the mortgaged property on the basis of its market value. The sale of the property is usually carried out by way of a public auction.

Under normal circumstances, the enforcement of a mortgage created and perfected in Switzerland takes from ten to twenty months, with a minimum delay of 6 months during the introductory phase.

Enforcement of Security Assignments

Enforcement of security assignment under Swiss law essentially involves self help on the part of the assignee. The secured creditor is, after the security assignment has become enforceable, entitled to collect the assigned receivables from the underlying debtor and apply the receivables as so collected in discharge of the secured debt.

Enforcement of Pledges governed by Swiss law

The enforcement of pledged shares may be carried out either by way of public auction by the enforcement authority or upon receipt of approval of all involved parties by the private sale of the shares by the pledgee itself (*Freihandverkauf*).

Should the proceeds resulting from the auction or the sale of the pledged shares not cover the entire claim of the pledgee, the pledgee as creditor obtains a certificate of loss (*Pfandausfallschein*) entitling it to initiate bankruptcy proceedings against the pledgor in order to achieve the realisation of other assets of the pledgor.

Implications of Insolvency

The bankruptcy and insolvency provisions in Swiss Law are encompassed in the Swiss Federal Debt Enforcement and Bankruptcy Law of 11th April 1889, which was substantially revised in 1997 (the "**DEBL**" or "**the Act**"). As its name indicates, the Act codifies the law with respect to enforcement procedures and insolvency procedures.

If the debtor is not a Swiss entity incorporated in Switzerland or does not have a branch (*Geschäftsniederlassung*) registered in the Commercial Register (*Handelsregister*) in Switzerland, the Swiss court will not have jurisdiction to commence insolvency proceedings against such debtor,

except in the case where the debtor has formally designated a special domicile (*Spezialdomizil*) in Switzerland.

The Borrower in respect of the Coop Loan does not have a special domicile in Switzerland at the date of this Offering Circular. Therefore, such Borrower is not subject to Swiss insolvency law.

The Borrower in respect of the Coop Loan is incorporated in Luxembourg and, as such, will be subject to insolvency laws of Luxembourg.

A Swiss court will give effect to the judgment opening the commencement of the insolvency proceedings in Luxembourg at the request of a Luxembourg insolvency administrator or a secured creditor, provided that the following conditions are met under Swiss law:

(a) the judgment opening the proceedings must be enforceable in Luxembourg, as applicable;

(b) the legal effect of the judgment opening the proceedings is not contrary to Swiss public policy;

(c) the judgment opening the proceedings against the debtor is not a default judgment, where the defendant was not duly summoned or not given due time to arrange his defence; and

(d) a Luxembourg court, as applicable, would accept to apply a Swiss judgment in respect of the opening of insolvency proceedings against the assets of a debtor, which are located in Luxembourg, as applicable.

For further information relating to the impact of insolvency on the Borrower in respect of the Coop Loan, see ''Certain Matters of Luxembourg Law'' at page 306.

Statutory Rights of Tenants

In certain circumstances, a tenant of a property may have legal rights enforceable against its landlord that may delay the payment of rent, or reduce the amount of rent payable, to the landlord, or which may impact upon the ability to remove a tenant from occupation in the event of its insolvency.

Overview

Swiss Tenancy Law for multifamily and commercial property is governed by Art. 253 ff. of the Swiss Code of Obligations (''**CO**'') and the Ordinance on Tenancy for Multifamily and Commercial Property. With regard to restrictions on rents, rent increases and terminations of rental agreements, Swiss law affords substantial protection to tenants.

Rental agreements are generally recorded in writing although there is no legal requirement to do so. It is customary practice to rely on standard rental agreements, such as those distributed by professional bodies such as the Swiss Association of Tenants or the Swiss Association of Houseowners. The parties to a rental agreement may agree to have it recorded in the land register. When a rental agreement has been registered, any subsequent owner of the property is required to give effect to that agreement notwithstanding the fact that it restricts the owner's own use of the property.

Tenants are considered to be in possession of the multifamily and commercial property and therefore have a right to claim the rules protecting the possessor laid down in the Swiss Civil Code (''**CC**''). Thus, they can fend off bothersome/interfering emissions (noise, orders) in an adequate manner and banish unauthorised persons from their premises.

Rent for multifamily and commercial property is usually against payment and may either be concluded for an indefinite or a fixed term between the landlord and the tenant.

Rent/Operating Expenses

The tenant owes the landlord a rent for the use of the rented property. With regard to the fixing and the adjustment of the rent there are special legal restrictions imposed by Swiss law.

Swiss tenancy law introduced the principle of ''unfair rent'', which limits the landlord's freedom in determining the initial rent and subsequently in increasing the rent to reflect any change in circumstances. Rents are viewed as abusive and unfair if a landlord makes an excessive profit on the rental of the leased property or if the validly calculated rent results from an obviously increased

rent or if the rent exceeds those rents which are common in that particular region or multifamily quarters.

Rents are not considered as "unfair" if an increase of the costs or added services by the landlord is justified or if the rent is within the scope of those rents that are common in that particular region or multifamily quarter. An example for an increase of costs is the rise of mortgage rates, charges, building rates, insurance premium and maintenance costs. Added services contain investments for value adding improvements, enlargement of the leased object and additional services. Furthermore, adjustments of the rent due to a balance of the price rise on risk capital are not abusive. However, the rent may only be increased up to 40 per cent. (maximum) of the increase in the Swiss Consumer Price Index ("**CPI**") issued monthly by the Federal Office of Statistics. Regarding newer buildings the rents may be within the scope of the cost-covering gross rate of return. If the net yield does not exceed the average interest rates for first mortgages of the large Swiss banks by more than half a per cent, the profit resulting form it is considered to be fair and is therefore not abusive.

Certain operating expenses relating to the use of the leased property have to be paid separately by the tenant, to the extent he or she has specifically agreed to with the landlord. They include, but are not restricted to, heating, hot water and other operating costs (i.e. garbage removal, charges for waste water facilities, operation and servicing of lifts, etc) as well as public charges. However, certain overhead expenses, such as repair and modernisation of the heating system and the hot water reprocessing plant as well as their interest rate and deduction may never be passed on to the tenant. If requested by the tenant, the landlord is required to provide the tenant with an opportunity to inspect the original documentary evidence of the operating expenses actually incurred since the required operating expenses may not exceed the actually incurred expenses.

Occupational tenancies will usually contain provisions for the relevant tenant to make a contribution towards the cost of maintaining common areas calculated with reference, among other things, to the size of the premises demised by the relevant tenancy and the amount of use which such tenant is reasonably likely to make of the common areas. The contribution forms part of the service charge payable to the landlord (in addition to the principal rent) in accordance with the terms of the relevant tenancy.

The liability of the landlord in each case to provide the relevant services is, however, not always conditional upon all such contributions being made and consequently any failure by any tenant to pay the service charge contribution on the due date or at all would oblige the landlord to make good the shortfall from its own monies. The landlord would also need to pay from its own monies service charge contributions in respect of any vacant units and seek to recover any shortfall from the defaulting tenant using any or all of the remedies that the landlord has under the lease to recover outstanding sums.

Adjustments of Rent

A landlord has the right to increase rents due to an increase of costs or added services at any time on the next possible termination period.

An indexation of the rent which is common practice with rental agreements of commercial property is valid if the rental agreement has been concluded for a fixed term (at least five years) and if the adjustments are in line with movements in the CPI.

In order to protect the landlord's investment from any adverse effect by inflation and if the rental agreement has been concluded for a fixed term, the rent may be increased during the term only when the parties have so agreed and by one of two methods, depending on the period of the term. For terms of five years or more, the rent may be adjusted in line with movements in the CPI and for terms of three years, the rent may be adjusted incrementally, as and if previously determined in the rental agreement.

A landlord must inform the tenant about any rent increase at least 10 days before the applicable notice period using a special form (approved by the canton). Any rent increase has to be justified. The formal requirements, which also apply to the indexed and periodic increases, are very strict and a failure to comply with these requirements leads to voidness of the rent increase.

A tenant has a right to challenge the initial rent, an increased rent or the notice of termination.

Termination of Rental Agreements

Rental agreements without a fixed term may be terminated by giving notice within the applicable notice period. The law prescribes different minimum notice periods for different types of rented properties: (a) six months for commercial properties; (b) three months for multifamily properties and (c) two weeks for furnished rooms, separately leased garage spaces or similar properties. These notice periods may be extended but not shortened. If the parties do not comply with the notice periods or notice dates, the notice is effective on the next possible date.

The existence of a profound breach of duty by a party may lead to a summary dismissal of the rental agreement regardless whether it was concluded for a fixed or unfixed term.

If there is a violation of the principle of utmost good faith, a tenant may challenge a notice of termination served by the landlord up to 30 days after its receipt. The Swiss CO contains a non-exclusive list of challenge grounds, i.e. if the termination is based on titles which the tenant has against the landlord resulting from the rental agreement or if the landlord changes the rental agreement to the detriment of the tenant or if the landlord enforces a rent adjustment by notice of termination.

If the tenant and his or her family suffers material hardship as a result of the termination, which is not justified by the interests of the landlord, the tenant has the right to request an extension of the rental agreement within 30 days following receipt of the notice of termination. In case of commercial property the competent authority may grant extension of the rental agreement for up to six years. Fixed term rental agreements extensions are possible in general but are in fact very rare.

Property Law

General

Ownership is the most comprehensive legal title with respect to real property. It gives the owner the right to use real property, the right to dispose of it and the right to fend any wrongful action. As a right of domain it is absolute and applies to everybody (*erga omnes*). Ownership of land stretches upwards and downwards from the airspace to the ground, as long as there is an interest in the in the use of the property. Under the reserve of legal limits, it covers all buildings and plants as well as springs. The borders are indicated by the cadastral register and the boundaries of the real estate itself.

Ownership of real property is usually established through the execution of a public deed and subsequent registration in the appropriate public land register. The deed must be notarised and must contain all of the essential elements of the transaction, including without limitation, the identity of the contracting parties, a description of the property being transferred, the purchase price and all other material terms.

Real property can be held in the form of individual ownership, joint ownership or co-ownership. Joint ownership is based on any underlying community relationship either by operation of law or by contract, such as marriage or inheritance, whereas co-ownership is based on an express or implied agreement of the co-owners without an underlying community relationship. Each co-owner owns a share of the real property that can be sold or pledged and can be seized by its creditors. Under joint ownership, however, each of the owners has the right of ownership in the whole real property and the ownership rights, such as the right to sell and pledge, cannot be exercised over the common property except with the consent of all the joint owners.

Restrictions of Real Property

The right of property cannot be exercised without limitation. There are legal barriers in private and public law. Under private law the limitation on ownership deals with neighbourhood affairs. For example, the property owner must refrain from actions which have a massive impact on the property of the neighbour. Every property owner has to refrain from causing harmful, unjustified actions through smoke, soot, noise or vibration. Aside from the private law barriers, there are numerous public law restrictions. Furthermore, restraints on disposal of the real estate can be agreed upon at the detriment of the owner of real estate or even stipulated by law.

Limited Rights in Rem

In contrast to ownership, the limited rights *in rem* give to the beneficiary of such rights only a limited power. As regards real property, Swiss law mainly provides for three different types of

limited rights *in rem*: (a) property liens, (b) servitudes, and (c) ground leases only the first two categories are of practical relevance, and so will be described.

(a) Property Liens are limited rights in rem. Its purpose is to ensure a certain claim with the value of a real property and it bestows the right to the creditor to obtain the proceeds from the sale of the real property if the claim is not amortised/redeemed at the agreed time. Property liens may arise either by law or by contract. The contractual property lien is established by registration in the appropriate land register based upon a notarized agreement between the creditor and the estate owner. However, the estate owner can register a property lien on his or her request without concluding a mortgage agreement.

Property liens which come into existence by law do not require a mortgage agreement.

Under Swiss law, there are three main types of property liens: (i) the mortgage assignment, which serves as collateral for a loan, (ii) the land charge certificate, which sets forth the value of a real property, and (iii) the mortgage note, which serves both purposes. The land charge certificate and the mortgage note, but not the mortgage assignment, are defined as securities within the meaning of the CO. The existence of property liens will be registered in the Lange Register.

(b) A servitude is a burden imposed on real property for the benefit of another real property, requiring the owner of a servient real property to accept certain acts of interference by the owner of the dominant real property. A difference is drawn between personal easement and servitude. In the case of a personal easement the right on the entire real property belongs to a natural person or legal entity, while the servitude promotes a special parcel of land. A servitude is either established by law or by written contract. For example, the Swiss Civil Code, imposes the duty on every property owner to allow the conveyance of fresh and waste water, gas and electricity. If the servitude is in the form of a written agreement, it must be registered in the file of the relevant property in the land register. The loss or termination of a servitude results from cancellation of the respective entry in the land register, as well as from the complete loss of the burdened or entitled property.

Environmental Laws

Zoning

Swiss law provides for detailed regulations on the procedures and circumstances under which land can be developed. The Federal Zoning Statute defines the competences on federal, cantonal and municipal level to ensure a resourceful use of the land and a well-structured settlement policy. Among the key principles included in this statute are the conservative utilization of the land and the limitation of an expansion of housing development areas.

In the context of cantonal planning, the zoning activities are generally coordinated and harmonized. The utilization planning is based on the cantonal zoning law and lays down the utilization of the land for everybody. A binding separation between a building zone and a non-building zone is made and the possibilities of use are laid down in the utilization or zoning plans. A further distinction is made between building, agricultural and protection zones. Construction activities are generally only allowed in construction zones and are subject to authorization by the body designated by the respective Canton. With the exception of some area-bound buildings, it is a necessary requirement in order to obtain a construction permit that buildings and facilities are in accordance with the purpose of the utilization plan and that the land is already developed as well as suitable and necessary for building activities.

Building Law

In the context of public building law, the Swiss authorities at federal, cantonal and municipal level are provided with regulatory competences. The actual building regulations are enacted by the Cantons and applied by local building authorities. This has resulted in 26 different cantonal zoning statutes. The building law rules at federal level, which are supplemented by the cantonal statutes, only focus on selected aspects and may be found in different laws such as the Federal Zoning Statute and the Federal Statute on Environment Protection as well as in the accompanying Ordinances. The municipal building law is also of importance. It is enacted by the municipality based on its right of municipal autonomy.

The freedom to build, which is derived from the right of freedom of having property and other constitutional rights, is restricted by rules of public building law. The public building law contains on the one hand, material construction rules, especially those about basic requirements of buildings and facilities, as well as admissible utilisations of land, and on the other hand formal rules which regulate the constructional procedures.

Environment

The jurisdiction to enact environmental laws and regulations is split between the cantons and the federal authorities. The execution of the laws is mainly observed by the cantons. The key statute within the body of environmental laws is the Federal Statute on Environmental Protection, which was enacted in 1983. This statute contains the following key concepts of Swiss environmental law: (a) the principal of prevention; (b) the principal of sustainability; (c) the polluter-pays principle; (d) the principle of cooperation and (e) the principle of coordination.

According to the principle of prevention, early preventative measures must be taken at the source of the pollution to limit effects, which can become harmful or troublesome. Closely linked to the principle of prevention is the principle of sustainability, which demands while using resources nature's power of regeneration should be taken into consideration. According to the polluter-pays principle, the polluter must pay the costs of measures taken pursuant to the protection of the environment. According to the principle of cooperation, authorities and private parties must work together towards the goal of protecting the environment. Ultimately, the principle of coordination plays an important role in procedural law.

Contaminated Sites

If the soil of a real estate is contaminated, the Federal Statute on Environmental Protection declares that place a contaminated site. All sites contaminated by waste have to be cleaned up if they cause harmful or disagreeable effects or if there is a concrete risk that such effects will occur. The polluter of the contaminated sites must pay the costs of the clean up. If several polluters or real property owners are involved, the restoration costs are allocated according to the individual responsibilities. The owner of a contaminated site is only liable for costs incurred if it cannot be proved that: (a) even if exercising due diligence he or she could not have been aware of the contamination, (b) he or she did not benefit from the contamination and (c) he or she does not benefit from restoration/the clean up.

The Federal Statute on Environmental Protection requires the cantons to compile a register of potentially contaminated sites, which is open to the public for inspections. Thus, it should be ensured that in future cases of use of those contaminated sites the access to the relevant information is provided.

Taxation

Federal Withholding Tax and Stamp Duty

Effective and constructive dividends.

A 35 per cent. Swiss federal withholding tax is levied on effective or constructive dividend distributions made by a Swiss resident legal entity to its shareholders or any person related to its shareholders. Dividends distributed by the Swiss Issuer will be subject to the 35 per cent. Swiss federal withholding tax.

In order to avoid that interest payments made by the Swiss Issuer on the Swiss Note and Swiss Subordinated Note are re-characterised into constructive dividend distributions triggering the 35 per cent. Swiss federal withholding tax, care must be taken that the Swiss Issuer and its shareholders are and remain unrelated to the Issuer and its shareholder and, as a consequence thereof, that the Swiss thin capitalisation rules do not apply. There is no such connection.

Collective debt fund raisings.

A 35 per cent. Swiss federal withholding tax is levied on interest payments made on instruments of collective debt fund raisings issued by a Swiss resident legal entity or a foreign resident legal entity registered in a Swiss Register of Commerce. A Swiss federal issuance stamp duty of 0.12 per cent. per each full or partial year (in relation to bonds, "*Anleihensobligationen*") or 0.06 per cent. per each full or partial year (in relation to cash debentures "*Kassenobligationen*") is triggered on the principal at the issuance of an instrument of collective debt fund raisings by a Swiss resident legal entity or a foreign resident legal entity registered in a Swiss Register of

Commerce. A collective debt fund raising is given, if a Swiss resident legal entity or a foreign legal entity registered in a Swiss Register of Commerce is issuing (a) debt instruments having identical terms and conditions to more than ten non-bank creditors (so-called ''bonds'' (*Anleihensobligationen*)) or (b) debt instruments, on a continuous basis, having different terms and conditions to more than twenty non-bank creditors (so-called ''cash debentures'' (*Kassenobligationen*)) and, in each of the two cases, the aggregate outstanding loan amount is at least CHF 500'000.

In order to avoid that a collective debt fund raising with the associated Swiss federal withholding tax and Swiss federal issuance stamp duty consequences is given, care must be taken that the number of non-bank creditors to the Swiss Issuer is restricted accordingly.

Special Federal and Cantonal Interest Withholdings on Mortgaged Loans

Interest payments on loans secured by a mortgage, a mortgage note or other rights in rem on Swiss real estate are subject to a special federal and cantonal (state) withholding tax if such interest payments are made to a lender which is not a Swiss resident or is not maintaining a Swiss permanent establishment to which such interest payments are attributable. In general, the aggregate federal and cantonal special withholding tax rate is between 17 per cent. and 23 per cent, depending on the canton where the relevant real estate is located. If the non-Swiss resident lender is eligible for the benefits of a double tax treaty concluded with Switzerland, such special interest withholding may be reduced at source to the applicable treaty rate or even eliminated.

Since the Swiss Loan has been acquired by the Swiss Issuer, and the Swiss Issuer issues unsecured debt obligations, no such tax should be paid.

Swiss Federal Income Tax and Cantonal Income and Capital Tax

The Swiss Issuer is a Swiss tax resident for purposes of the Swiss federal and cantonal income tax and the cantonal capital tax.

In order to avoid that all or a portion of the interest paid by the Swiss Issuer on the Swiss Note or the Swiss Subordinated Note are re-characterised into constructive dividends which cannot be deducted from the tax base for income tax purposes and that all or a portion of the funds received by the Swiss Issuer under the Swiss Note or the Swiss Subordinated Note may be considered as constructive equity for capital tax purposes, care must be taken that the Issuer and its shareholder and the holders of the Swiss Subordinated Note are and remain unrelated to the Swiss Issuer and its shareholders and, as a consequence hereof, that no such re-characterisations may occur.

For further information about Swiss tax, see ''The Swiss Note – Tax'' at page 163.

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be approximately €1,556,165,278 and this sum will be applied by the Issuer towards:

(a) payment of €470,595,000 to the ATU Originator as the purchase price for the ATU Note;

(b) payment of €117,000,000 to the Dutch Originator as consideration for the purchase of the Dutch Loan and Dutch Related Security on the Closing Date pursuant to the Dutch Loan Sale Agreement;

(c) payment of €859,566,754 to the German Originator as consideration for the purchase of the German Loans (other than the ATU Loan) and related German Related Security on the Closing Date pursuant to the Non-ATU German Asset Transfer Agreement; and

(d) payment of CHF 170,100,000 to the Swiss Issuer as the subscription price for the Swiss Note.

FEES AND EXPENSES

Fees and expenses relating to the application for admission of the Notes to trading on the regulated market of the Irish Stock Exchange are expected to be approximately €20,000.

IRISH TAXATION MATTERS

Ireland Taxation

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Prospective investors should be aware that the anticipated tax treatment in Ireland summarised below may change.

Taxation of the Issuer

In general, Irish companies must pay corporation tax on their income at the rate of 12.5 percent. in relation to trading income and at the rate of 25 per cent. in relation to income that is not income from a trade. However, Section 110 of the Irish Taxes Consolidation Act of 1997, as amended, ("**TCA 1997**") provides for special treatment in relation to qualifying companies. A qualifying company means a company:

(a) which is resident in Ireland;

(b) which either acquires qualifying assets from a person, holds or manages qualifying assets as a result of an arrangement with another person, or has entered into a legally enforceable arrangement with another person which itself constitutes a qualifying asset;

(c) which carries on in Ireland a business of holding qualifying assets or managing qualifying assets or both;

(d) which, apart from activities ancillary to that business, carries on no other activities;

(e) which has notified an authorised officer of the Revenue Commissioners in the prescribed format that it is or intends to be such a qualifying company; and

(f) the market value of qualifying assets held or managed by the company or the market value of qualifying assets in respect of which the company has entered into legally enforceable arrangements is not less than €10,000,000 on the day on which the qualifying assets are first acquired, first held, or a legally enforceable arrangement in respect of the qualifying assets is entered (which is itself a qualifying asset), but a company shall not be a qualifying company if any transaction is carried out by it otherwise than by way of a bargain made at arms length apart from where that transaction is the payment of consideration for the use of principal (other than where that consideration is paid to certain companies within the charge of Irish corporation tax as part of a scheme of tax avoidance).

A qualifying asset is a financial asset or an interest in a financial asset.

If a company is a qualifying company for the purpose of Section 110 TCA 1997 ("**Section 110**"), then profits arising from its activities shall be chargeable to Corporation Tax under Case III of Schedule D (which is applicable to non-trading income) at a rate of 25 per cent. However, for that purpose those profits shall be computed in accordance with the provisions applicable to Case I of the Schedule (which is applicable to trading income). On this basis and on the basis that the interest on the Notes:

(a) does not represent more than a reasonable commercial return on the principal outstanding and it is not dependant on the results of the company's business; or

(b) is not paid to certain companies within the charge of Irish corporation tax as part of a scheme of tax avoidance;

then the interest in respect of the Notes issued will be deductible in determining the taxable profits of the company.

Stamp Duty

If the Issuer is a qualifying company within the meaning of Section 110 (and it is expected that the Issuer will be such a qualifying company) no Irish stamp duty will be payable on either the

issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer's business.

Taxation of Noteholders – Income Tax

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

Interest paid and discounts realised on the Notes have an Irish source and therefore interest earned and discounts realised on such Notes will be regarded as Irish source income. Accordingly, pursuant to general Irish tax rules, a non-Irish resident person in receipt of such income would be technically liable to Irish income tax (and levies if received by an individual) subject to the provisions of any applicable double tax treaty. Ireland has currently 44 double tax treaties in effect (see "Withholding Taxes" below) and the majority of them exempt interest (which sometimes includes discounts) from Irish tax when received by a resident of the other jurisdiction. Credit is available for any Irish tax withheld from income on account of the related income tax liability. Non-Irish resident companies, where the income is not attributable to a branch or agency of the company in Ireland, are subject to income tax at the standard rate. Therefore any withholding tax suffered should be equal to and in satisfaction of the full income tax liability (Non-Irish resident companies operating in Ireland through a branch or agency of the company in Ireland to which the income is attributable would be subject to Irish corporation tax).

There is an exemption from Irish income tax under Section 198 TCA 1997 in certain circumstances.

These circumstances include:

(a) where interest is paid by a qualifying company within the meaning of Section 110 to a person that is resident in an EU Member State (other than Ireland) or is a resident of a territory with which Ireland has a double tax treaty that is in effect, under the terms of that treaty;

(b) where interest is paid by a company to a person that is resident in an EU Member State (other than Ireland) or is a resident of a territory with which Ireland has a double tax treaty that is in effect, under the terms of that treaty that is in effect, and the interest is exempt from withholding tax because it is paid on a quoted Eurobond (see "Withholding Taxes" below);

(c) where the interest is paid by a company in the ordinary course of its trade or business and the recipient of the interest is a company that is resident in an EU Member State (other than Ireland) or that is a resident of a territory with which Ireland has a double tax treaty that is in effect, under the terms of that treaty.

Interest on the Notes which does not fall within the above exemptions and discounts realised are within the charge to Irish income tax to the extent that a double tax treaty does not exempt the interest or discount. However it is understood that the Irish Revenue Commissioners have, in the past, operated a practice (as a consequence of the absence of a collection mechanism rather than adopted policy) whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

(i) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or

(ii) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or

(iii) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that the Irish Revenue Commissioners will apply this practice in the case of the holders of Notes and, as mentioned above, there is a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

Withholding Taxes

In general, withholding tax at the rate of 20 per cent. must be deducted from payments of yearly interest that are within the charge to Irish tax, which would include those made by an Irish resident company such as the Issuer. However, Section 64 TCA 1997 provides for the payment of interest in respect of quoted Eurobonds without deduction of tax in certain circumstances. A ''quoted Eurobond'' is defined in Section 64 TCA 1997 as a security which:

(a) is issued by a company;

(b) is quoted on a recognised stock exchange (the Irish Stock Exchange is a recognised stock exchange for this purpose);

(c) is in bearer form; and

(d) carries a right to interest.

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

(a) the person by or through whom the payment is made is not in Ireland; or

(b) the payment is made by or through a person in Ireland, and

(A) the quoted Eurobond is held in a recognised clearing system (Euroclear and Clearstream, Luxembourg and DTC are recognised clearing systems for this purpose); or

(B) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate declaration to this effect.

As the Notes to be issued by the Issuer will qualify as quoted Eurobonds (provided that they are not in registered definitive form), and as they will be held in Euroclear and Clearstream, Luxembourg, the payment of interest in respect of such bearer Notes should be capable of being made without withholding tax, regardless of where the Noteholder is resident.

Separately, Section 246 TCA 1997 (''**Section 246**'') provides certain exemptions from this general obligation to withhold tax. Section 246 provides an exemption in respect of interest payments made by a qualifying company within the meaning of Section 110 to a person resident in a relevant territory except where that person is a company and the interest is paid to the company in connection with a trade or business carried on in Ireland by that company through a branch or agency. Also Section 246 provides an exemption in respect of interest payments made by a company in the ordinary course of business carried on by it to a company resident in a relevant territory except where the interest is paid to the company in connection with a trade or business carried on in Ireland by that company through a branch or agency. A relevant territory for this purpose is an EU Member State, other than Ireland, or not being such a Member State, a territory with which Ireland has entered into a double tax treaty that is in effect. As of the Closing Date, Ireland has entered into a double tax treaty with each of Australia, Austria, Belgium, Bulgaria, Canada, Chile (signed but not yet in effect), China, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Israel, India, Italy, Japan, Korea (Rep. of), Latvia, Lithuania, Luxembourg, Malaysia, Mexico, the Netherlands, New Zealand, Norway, Pakistan, Poland, Portugal, Romania, Russia, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, United Kingdom, U.S.A. and Zambia. Negotiations for agreements with Egypt, Malta and Singapore are completed. New treaties with Argentina, Kuwait, Morocco, Tunisia, Turkey and Ukraine are in the course of being negotiated.

Discounts realised on the Notes will not be subject to Irish withholding tax.

Encashment Tax

Interest on any Note which qualifies for exemption from withholding tax on interest as a quoted Eurobond (see above) realised or collected by an agent in Ireland on behalf of any Noteholder will be subject to a withholding at the standard rate of Irish income tax (currently 20 per cent.). This is unless the beneficial owner of the Note that is entitled to the interest is not resident in Ireland and makes a declaration in the required form. This is provided that such interest is not deemed, under the provisions of Irish tax legislation, to be the income of another person that is resident in Ireland.

Capital Gains Tax

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

Capital Acquisitions Tax

If the Notes are comprised in a gift or inheritance taken from an Irish resident or ordinarily resident disponer or if the disponer's successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the disponer's successor (primarily), or the disponer, may be liable to Irish Capital Acquisitions Tax. The Notes, being bearer Notes, would be regarded as property situate in Ireland if the Notes were ever to be physically kept or located in Ireland with a depository or otherwise. Accordingly, if, while they are physically kept or located in Ireland, such Notes are comprised in a gift or inheritance, the disponer's successor (primarily), or the disponer, may be liable to Irish capital acquisitions tax, even though the disponer or the disponer's successor may not be domiciled in Ireland. The Notes, if in registered definitive form, would be regarded as property situate in Ireland if the principal register of the Notes is maintained in Ireland.

For the purposes of capital acquisitions tax, under current legislation a non-Irish domiciled person will not be treated as resident or ordinarily resident in Ireland for the purposes of the applicable legislation except where that person has been resident in Ireland for the purposes of Irish tax for the 5 consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls.

Value Added Tax

The provision of financial services is an exempt transaction for Irish Value Added Tax (''**Irish VAT**'') purposes. Accordingly, in general the Issuer should not be entitled to recover Irish VAT suffered.

EU Directive on the Taxation of Savings Income

On 3rd June 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income (''**EU Directive**''). The Directive has been enacted into Irish legislation. Where any person in the course of a business or profession carried on in Ireland makes an interest payment to, or secures an interest payment for the immediate benefit of, the beneficial owner of that interest, where that beneficial owner is an individual, that person must, in accordance with the methods prescribed in the legislation, establish the identity and residence of that beneficial owner. Where such a person makes such a payment to a ''residual entity'' then that interest payment is a ''deemed interest payment'' of the ''residual entity'' for the purpose of this legislation. A ''residual entity'', in relation to ''deemed interest payments'', must, in accordance with the methods prescribed in the legislation, establish the identity and residence of the beneficial owners of the interest payments received that are comprised in the ''deemed interest payments''.

''**Residual entity**'' means a person or undertaking established in Ireland or in another Member State or in an ''associated territory'' to which an interest payment is made for the benefit of a beneficial owner that is an individual, unless that person or undertaking is within the charge to corporation tax or a tax corresponding to corporation tax, or it has, in the prescribed format for the purposes of this legislation, elected to be treated in the same manner as an undertaking for collective investment in transferable securities within the meaning of the UCITS Directive 85/611/EEC, or it is such an entity or it is an equivalent entity established in an ''associated territory'', or it is a legal person (not being an individual) other than certain Finnish or Swedish legal persons that are excluded from the exemption from this definition in the Directive.

Procedures relating to the reporting of details of payments of interest (or similar income) made by any person in the course of a business or profession carried on in Ireland, to beneficial owners that are individuals or to residual entities resident in another Member State or an ''associated territory'' and procedures relating to the reporting of details of deemed interest payments made by residual entities where the beneficial owner is an individual resident in another Member State or an ''associated territory'', apply in Ireland. For the purposes of these paragraphs ''associated territory'' means Aruba, Netherlands Antilles, Jersey, Gibraltar, Guernsey, Isle of Man,

Anguilla, British Virgin Islands, Cayman Islands, Andorra, Liechtenstein, Monaco, San Marino, the Swiss Confederation, Montserrat and Turks and Caicos Islands.

CIRCULAR 230 NOTICE

Any discussion of United States federal tax issues (including federal income tax and ERISA issues) set forth in this Offering Circular was written in connection with the promotion and marketing by the Issuer, Arranger and Managers of the transactions described in this Offering Circular. Such discussion was not intended or written to be legal or tax advice to any person and was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any United States federal tax penalties that may be imposed on such person. Each investor should seek advice based on its particular circumstances from an independent tax advisor.

UNITED STATES TAXATION

The following is a summary of certain United States federal income tax considerations for original purchasers of the Notes that use the accrual method of accounting for United States federal income tax purposes and that hold the Notes as capital assets. This summary does not discuss all aspects of United States federal income taxation that might be important to particular investors in light of their individual investment circumstances, such as investors subject to special tax rules (e.g., financial institutions, insurance companies, tax-exempt institutions, dealers or traders in stocks, securities or currencies, regulated investment companies, persons that will hold Notes as part of a ''hedging'' or ''conversion'' transaction, non-United States persons engaged in a trade or business within the United States or persons the functional currency of which is not the United States dollar). In particular, investors not using the accrual method of accounting for United States federal income tax purposes may be subject to special rules not described herein. In addition, this summary does not discuss any non-United States, state, or local tax considerations. This summary is based on the Internal Revenue Code of 1986, as amended (the ''**Code**''), and administrative and judicial authorities, all as in effect on the date hereof and all of which are subject to change, possibly on a retroactive basis. Prospective investors should consult their tax advisers regarding the federal, state, local, and non-United States income and other tax considerations of owning the Notes. No rulings will be sought from the United States Internal Revenue Service (the ''**IRS**'') with respect to the United States federal income tax consequences described below.

For purposes of this summary, a ''United States holder'' means a beneficial owner of a Note who or which is, for United States federal income tax purposes, (i) a citizen or resident of the United States, (ii) a corporation or partnership created or organised in or under the laws of the United States or of any State thereof or the District of Columbia, or (iii) an estate (other than a foreign estate described in section 7701(a)(31)(A) of the Code), or (iv) a trust if a court within the U.S. is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of such trust. A ''non-United States holder'' means a beneficial owner of a Note that is not a United States holder.

United States persons and non-United States persons who own an interest in a holder that is treated as a pass-through entity under the Code will generally receive the same tax treatment with respect to the material tax consequences of their indirect ownership of the Notes as is described herein for direct United States holders and non-United States holders, respectively. Nonetheless, such persons should consult their United States tax advisors with respect to their particular circumstances, including issues related to tax elections and information reporting requirements.

Class X Notes

In connection with the issuance of the Notes, there is no direct authority under current law addressing the purchase, ownership and disposition of the Class X Notes and the treatment of payments made in relation thereto for United States federal income tax purposes. This summary does not discuss the material United States federal income tax consequences resulting from the purchase, ownership or disposition of an interest in the Class X Notes and, hence, does not constitute tax advice regarding the treatment of the Class X Notes for United States federal income tax purposes. Holders of an interest in the Class X Notes are urged to consult with their U.S. tax advisors regarding the federal, state, and local income and other tax consequences of owning an interest in the Class X Notes, including the possibility that the Class X Notes may be characterised as debt or equity of the Issuer, as assignable contract rights or as a notional principal contract for United States federal income tax purposes.

Characterisation of the Notes

The Issuer intends to take the position that, while the matter is not clear and there is no authority directly on this point, (a) the Notes, other than the Class H Notes and Class X Notes (collectively, the "**Priority Notes**"), are debt of the Issuer for United States federal income tax purposes and (b) the Class H Notes are equity in the Issuer for United States federal income tax purposes. However, because of the subordination and other features of the Class G Notes (and to a lesser extent, more senior classes of the Priority Notes) and because the characterisation of the Class X Notes for United States federal income tax purposes is not entirely clear, there is a significant possibility that the IRS could contend that some or all of the Priority Notes should be treated as equity in the Issuer for United States federal income tax purposes. For further information, see "Possible Alternative Characterisations of the Priority Notes and "Dispositions of Priority Notes by United States holders" below. The Issuer intends to take the position that the Class H Notes are equity in the Issuer for United States federal income tax purposes because there is a strong likelihood that, under United States federal income tax principles, the Class H Notes, although denominated as debt, will be treated as equity.

Absent a final determination to the contrary, the Issuer and each Noteholder, by acceptance of a Note or a beneficial interest therein, agree to treat (a) the Priority Notes as debt and (b) the Class H Notes as equity for purposes of United States federal, state and local income or franchise taxes and any other U.S., federal, state and local taxes imposed on or measured by income and each agrees to report its ownership interest in one or more classes of Notes on all applicable tax returns in a manner consistent with such treatment. In general, the characterisation of an instrument for United States federal income tax purposes as debt or equity by its issuer as of the time of issuance is binding on a holder (but not the IRS), unless the holder takes an inconsistent position and discloses such position in its United States federal tax return. The Issuer will not obtain any rulings from the IRS or opinions of counsel on the characterisation of the Notes, including the Class X Notes, and there can be no assurance that the IRS or the courts will agree with the positions of the Issuer. Unless otherwise indicated, the discussion in the following paragraphs assumes the characterisations of the Priority Notes as debt and the Class H Notes as equity are correct for United States federal income tax purposes.

The following paragraphs are also based on the assumption that the Issuer will not be engaged in a trade or business within the United States to which the income from the Notes is effectively connected.

Interest Income on the Priority Notes to United States Holders

In General

The Priority Notes will not be issued with original issue discount ("**OID**") for United States federal income tax purposes (as discussed below), and, as a result, because interest on the Priority Notes is paid in arrear on each Distribution Date, interest on the Priority Notes will be taxable to a United States holder as ordinary income at the time it is accrued prior to the receipt of cash attributable to that income.

A Priority Note will be considered issued with OID if its "**stated redemption price at maturity**" exceeds its "**issue price**" (i.e., the price at which a substantial portion of the respective class of Priority Notes is first sold (not including sales to the Managers)) by an amount equal to or greater than 0.25 per cent. of such Priority Note's stated redemption price at maturity multiplied by such Priority Note's weighted average maturity ("**WAM**"). In general, a Priority Note's "**stated redemption price at maturity**" is the sum of all payments to be made on the Priority Note other than payments of "**qualified stated interest**." The WAM of a Priority Note is computed based on the number of full years each distribution of principal (or other amount included in the stated redemption price at maturity) is scheduled to be outstanding. The schedule of such likely distributions should be determined in accordance with the assumed rate of prepayment (the "**Prepayment Assumption**") used in pricing the Priority Notes. The pricing of the Priority Notes is calculated on the basis of the scheduled amortisation payments on the assumption that there will be no prepayments.

In general, interest on the Priority Notes will constitute "**qualified stated interest**" only if such interest is "**unconditionally payable**" at least annually at a single fixed or qualifying variable rate (or permitted combination of the foregoing) within the meaning of applicable United States Treasury Regulations. Interest will be considered "**unconditionally payable**" for these purposes if legal remedies exist to compel timely payment of such interest or if the Priority Notes contain

terms and conditions that make the likelihood of late payment or non-payment "**remote**". Although the Conditions of the Notes provide that a holder cannot compel the timely payment of any interest accrued in respect of the Priority Notes (other than the Class A1 Notes and Class A2 Notes), Treasury Regulations provide that in determining whether interest is unconditionally payable the possibility of non-payment due to default, insolvency or similar circumstances is ignored. Accordingly, the Issuer intends to take the position that interest payments on the Priority Notes constitute "**qualified stated interest**". It is possible that the IRS could take a contrary position, in which case it is anticipated that the Priority Notes would be treated as OID instruments for U.S. tax purposes.

Sourcing

Interest on a Priority Note will constitute foreign source income for United States federal income tax purposes. Subject to certain limitations, United Kingdom withholding tax, if any, imposed on payments on the Priority Notes will generally be treated as a foreign tax eligible for credit against a United States holder's United States federal income tax (unless such tax is refundable under United Kingdom law or a United Kingdom – United States income tax treaty). For foreign tax credit purposes, interest will generally be treated as foreign source passive income (or, in the case of certain United States holders, financial services income).

Foreign Currency Considerations

A United States holder that receives a payment of interest in euro with respect to the Priority Notes will be required to include in income the United States dollar value of the amount of interest income that has accrued and is otherwise required to be taken into account with respect to the Priority Notes during an accrual period. The United States dollar value of such accrued income will be determined by translating such income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the relevant taxable year. In addition, such United States holder will recognise additional exchange gain or loss, treated as ordinary income or loss, with respect to accrued interest income on the date such income is actually received or the applicable Priority Note is disposed of. The amount of ordinary income or loss recognised will equal the difference between (i) the United States dollar value of the euro payment received (determined at the spot rate on the date such payment is received or the applicable Priority Note is disposed of) in respect of such accrual period and (ii) the United States dollar value of interest income that has accrued during such accrual period (determined at the average rate as described above). Alternatively, a United States holder may elect to translate interest income into United States dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, the spot rate on the last day of the taxable year) or, if the last day of the interest accrual period is within five business days of the date of receipt, the spot rate on the date of receipt. A United States holder that makes such an election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

Disposition of Priority Notes by United States holders

In general

Upon the sale, exchange or retirement of a Priority Note, a United States holder will recognise taxable gain or loss equal to the difference between the amount realised on the sale, exchange or retirement and the United States holder's adjusted tax basis in the Priority Note. For these purposes, the amount realised does not include any amount attributable to accrued interest on the Priority Note (which will be treated as interest as described under "Interest Income on the Priority Notes of United States holders" above). A United States holder's adjusted tax basis in a Priority Note generally will equal the cost of the Priority Note to the United States holder, decreased by any payments (other than payments of qualified stated interest) received on the Priority Note.

In general, except as described below, gain or loss realised on the sale, exchange or redemption of a Priority Note will be capital gain or loss.

Foreign currency considerations

A United States holder's tax basis in a Priority Note, and the amount of any subsequent adjustment to such United States holder's tax basis, will be the United States dollar value of the euro amount paid for such Priority Note, or of the euro amount of the adjustment, determined at

the spot rate on the date of such purchase or adjustment. A United States holder that purchases a Priority Note with previously owned euro will recognise ordinary income or loss in an amount equal to the difference, if any, between such United States holder's tax basis in the euro and the United States dollar value of the euro on the date of purchase.

Gain or loss realised upon the receipt of a principal payment on, or the sale, exchange or retirement of, a Priority Note that is attributable to fluctuations in currency exchange rates will be treated as ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between (i) the United States dollar value of the applicable euro principal amount of such Priority Note, and any payment with respect to accrued interest, translated at the spot rate on the date such payment is received or such Priority Note is disposed of, and (ii) the United States dollar value of the applicable euro principal amount of such Priority Note, on the date such holder acquired such Priority Note, and the United States dollar amounts previously included in income in respect of the accrued interest received at the spot rate on that day. Such foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by a United States holder on the sale, exchange or retirement of the Priority Note. The source of such euro gain or loss will be determined by reference to the residence of the United States holder or the qualified business unit of the United States holder on whose books the Priority Note is properly reflected.

A United States holder will have a tax basis in any euro received on the receipt of principal on, or the sale, exchange or retirement of, a Priority Note equal to the United States dollar value of such euro, determined at the time of such receipt, sale, exchange or retirement. Any gain or loss realised by a United States holder on a subsequent sale or other disposition of euro (including its exchange for United States dollars) will generally be ordinary income or loss.

Taxation of Priority Notes to non-United States holders

A non-United States holder of the Priority Notes will be exempt from any United States federal income or withholding tax with respect to the gain derived from the sale, exchange or retirement or any payments received in respect of the Priority Notes, unless such gain or payments are effectively connected with a United States trade or business of such holder, or such holder is a non-resident alien individual who holds the Priority Notes as a capital asset and who is present in the United States for 183 days or more in the taxable year of the disposition, and certain other conditions are satisfied.

Possible Alternative Characterisations of the Priority Notes

In General

Although, as described above, the Issuer intends to take the position that the Priority Notes will be treated as debt for United States federal income tax purposes, such position is not binding on the IRS or the courts and therefore no assurance can be given that such characterisation will prevail. In particular, because of the subordination and other features of the Class G Notes (and to a lesser extent, more senior classes of Notes) and because the characterisation of the Class X Notes for United States federal income tax purposes is not entirely clear, there is a significant possibility that the IRS could contend that some or all of the Priority Notes should be treated as equity in the Issuer for United States federal income tax purposes.

The timing and character of income under the Priority Notes may differ substantially depending on whether the Priority Notes are treated as debt or equity for United States federal income tax purposes. If one or more classes of Priority Notes were treated as equity interests in the Issuer (any such Note, a "**Recharacterised Note**"), such Recharacterised Notes and the treatment of payments made in relation thereto for United States federal income tax purposes would be substantially similar to the discussion with respect to the Class H Notes below under "Distributions on the Class H Notes to United States holders" and "Disposition of Class H Notes by United States holders". Prospective investors should consult their own United States tax advisors with respect to the potential impact of an alternative characterisation of the Priority Notes for United States federal income tax purposes, including the making of a protective QEF election under the passive foreign investment company rules of the Code at the time when an investor acquires its ownership interest in the Priority Notes.

Distributions on the Class H Notes to United States holders

Except as provided below, a United States holder of a Class H Note is required to include in income payments of "**interest**" as distributions on equity of the Issuer (with no dividends received deduction available to corporate United States holders). In addition, unless the Issuer is treated as being engaged in a U.S. trade or business, generally, "interest" income derived by a United States holder of a Class H Note with respect to a Class H Note which is treated as equity should constitute foreign source income that will be treated as passive income for United States foreign tax credit purposes (or, in the case of certain United States holders, financial services income). "**Dividend**" income derived by a United States holder of a Class H Note will not be eligible for the preferential income tax rates provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003. Each United States holder of a Class H Note should consult its own United States tax advisors as to how it should treat this income for purposes of its particular foreign tax credit calculation.

Investment in a Passive Foreign Investment Company

The Issuer expects to be treated as a "passive foreign investment company" (a "**PFIC**"). United States holders of Class H Notes will be considered U.S. shareholders in a PFIC (each, a "**U.S. shareholder**"). In general, a U.S. shareholder in a PFIC may desire to make an election to treat the Issuer as a qualified electing fund ("**QEF**") with respect to such U.S. shareholder. Generally, a QEF election should be made on or before the due date for filing a U.S. shareholder's federal income tax return for the first taxable year for which it held Class H Notes. An electing U.S. shareholder will be required to include in gross income such U.S. shareholder's *pro rata* share of the Issuer's ordinary earnings and to include as long-term capital gain such U.S. shareholder's *pro rata* share of the Issuer's net capital gain, whether or not distributed, assuming that the Issuer does not constitute a controlled foreign corporation in which the U.S. shareholder is a U.S. Shareholder, as discussed further below. A United States holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to such United States holder. In certain cases in which a QEF does not distribute all of its earnings in a taxable year, U.S. shareholders may also be permitted to elect generally to defer payment of the taxes on the QEF's undistributed earnings until such amounts are distributed or the Class H Notes are disposed of, subject to an interest charge on the deferred amount. In this respect, prospective purchasers of Class H Notes should be aware that the Issuer may have significant earnings, but distributions attributable to such earnings may be deferred, perhaps for a substantial period of time. Thus, absent an election to defer payment of taxes, U.S. shareholders of the Issuer that make a QEF election may owe tax on significant "phantom" income.

In addition, it should be noted that if the Issuer disposes of any Loans or other investments that are not in registered form, a U.S. shareholder making a QEF election (i) may not be permitted to take a deduction for any loss attributable to such obligations and (ii) may be required to treat earnings as ordinary income even though such earnings would otherwise constitute capital gains.

The Issuer does not intend to provide information to holders of the Class H Notes (or any other class of Notes that is treated as equity for United States federal income tax purposes) that a U.S. shareholder making a QEF election will need for United States federal income tax reporting purposes (e.g., the U.S. shareholder's *pro rata* share of ordinary income and net capital gain as computed for United States federal income tax purposes) and the Issuer will not provide a PFIC Annual Information Statement as described in Treasury Regulations. U.S. shareholders that are considering making a QEF election should consult their United States tax advisors with respect to their particular circumstances, including issues related to their annual United States federal income tax reporting obligations under the PFIC rules and the computations required to effect a QEF election.

A U.S. shareholder that holds "**marketable stock**" in a PFIC may also avoid certain unfavourable consequences of the PFIC rules by electing to mark the Class H Notes to market as of the close of each taxable year. A U.S. shareholder that made the mark-to-market election would be required to include in income each year as ordinary income an amount equal to the excess, if any, of the fair market value of the Class H Notes at the close of the year over the U.S. shareholder's adjusted tax basis in the Class H Notes. For this purpose, a U.S. shareholder's adjusted tax basis generally would be the U.S. shareholder's cost for the Class H Notes, increased by the amount previously included in the U.S. shareholder's income pursuant to this mark-to-

market election and decreased by any amount previously allowed to the U.S. shareholder as a deduction pursuant to such election (as described below). If, at the close of the year, the U.S. shareholder's adjusted tax basis exceeded the fair market value of the Class H Notes, then the U.S. shareholder would be allowed to deduct any such excess from ordinary income, but only to the extent of net mark-to-market gains on such Class H Notes previously included in income. Any gain from the actual sale of the Class H Notes would be treated as ordinary income, and to the extent of net mark-to-market gains previously included in income any loss would be treated as ordinary loss. Class H Notes would be considered "**marketable stock**" in a PFIC for these purposes only if they were regularly traded on an exchange which the IRS determines has rules adequate for these purposes. Application has been made to the Official List of the Official List of the Irish Stock Exchange for listing of the Notes. However, there can be no assurance that the Notes will be listed on the Official List of the Irish Stock Exchange, that the Class H Notes will be "**regularly traded**" or that such exchange would be considered a qualified exchange for these purposes.

If a U.S. shareholder does not make a QEF election or mark-to-market election and the PFIC rules are otherwise applicable, a U.S. shareholder that has held such Class H Notes during more than one taxable year would be required to report any gain on disposition of any Class H Notes as ordinary income and to compute the tax liability on such gain and certain excess distributions as if the items had been earned rateably over each day in the U.S. shareholder's holding period for the Class H Notes and would be subject to the highest ordinary income tax rate for each prior taxable year in which the items were treated as having been earned, regardless of the rate otherwise applicable to the U.S. shareholder. Such U.S. shareholder would also be liable for an additional tax equal to interest on the tax liability attributable to such income allocated to prior years as if such liability had been due with respect to each such prior year. An excess distribution is the amount by which distributions during a taxable year in respect of a Class H Note exceed 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. shareholder's holding period for the Class H Notes). Because the Class H Notes pay "interest" at a floating rate, it is possible that a United States holder will received excess distributions as a result of fluctuations in the rate of LIBOR over the term of the Class H Notes. U.S. shareholders of Class H Notes should consider carefully whether to make a QEF election or mark-to-market election with respect to the Class H Notes and the consequences of not making such an election.

Investment in a Controlled Foreign Corporation

Depending on a United States holder's degree of ownership of the equity interests in the Issuer, the Issuer may constitute a controlled foreign corporation (a "**CFC**"). In general, a foreign corporation will constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are held, directly or indirectly, by U.S. Shareholders. For this purpose, a "**U.S. Shareholder**" is any person that is a U.S. person for United States federal income tax purposes that possesses (actually or constructively) 10 per cent. or more of the combined voting power of all classes of shares of a corporation (persons who own interests in a U.S. pass-through entity that is a U.S. Shareholder will also be subject to the CFC rules). United States holders possessing 10 per cent. or more of such Class E Notes are U.S. Shareholders. If more than 50 per cent. of the equity interests in the Issuer were held by such U.S. Shareholders, the Issuer would be treated as a CFC.

If the Issuer should be treated as a CFC, a U.S. Shareholder would be treated, subject to certain exceptions, as receiving a dividend at the end of the taxable year of the Issuer an amount equal to that person's *pro rata* share of the "**subpart F income**" and certain U.S. source income of the Issuer. Among other items, and subject to certain exceptions, "**subpart F income**" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is anticipated that all of the Issuer's income would be subpart F income.

If the Issuer should be treated as a CFC, a U.S. Shareholder would be taxable on the Issuer's subpart F income under the CFC rules and not under the PFIC rules. As a result, to the extent subpart F income of the Issuer includes net capital gains, such gains will be treated as ordinary income of the U.S. Shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the PFIC rules if a QEF election were made.

United States holders of the Class H Notes should consult their United States tax advisors as to timing and character mismatches that may result from the Issuer being treated as a PFIC or CFC.

Distributions on Class H Notes

The treatment of actual distributions on the Class H Notes, in very general terms, will vary depending on (a) (i) whether a United States holder has made a timely QEF election as described above, and (ii) the U.S. shareholder's *pro rata* share of the Issuer's ordinary earnings (as determined under the Code) and the U.S. shareholder's *pro rata* share of the Issuer's net capital gain for the United States holder's taxable year in which or with which the taxable year of the Issuer ends, and (b) whether a United States holder has made a timely mark-to-market election as described above. See ''Investment in a Passive Foreign Investment Company''. If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent would not be taxable to United States holders. Distributions in excess of such previously taxed amounts will be treated first as a nontaxable return of capital and then as capital gain.

In the event that a United States holder does not make a QEF election or a mark-to-market election, then except to the extent that distributions may be attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Class H Notes may constitute excess distributions, taxable as previously described. See ''Investment in a Passive Foreign Investment Company''.

A United Stated holder will determine the United States dollar value of a distribution which is denominated in euro made on a Class H Notes (or any other class of Notes which is treated as equity for United States federal income tax purposes) by translating the euro payment at the spot rate of exchange on the date of such distribution.

Disposition of Class H Notes by United States Holders

Sale, Redemption or Other Disposition on Class H Notes

In general, a United States holder of a Class H Note will recognise gain or loss upon the sale or other disposition of a Class H Note equal to the difference between the amount realized and such holder's adjusted tax basis in the Class H Note. If a United States holder has made a timely QEF selection as described above, such gain or loss will be long-term capital gain or loss if the United States holder held the Class H Notes for more than 12 months at the time of the disposition. If a United States holder has made a timely mark-to-market election, such gain or loss will tax as discussed above under ''Investment in a Passive Foreign Investment Company''.

Initially, the tax basis of a United States holder should equal the amount paid for a Class H Note. Such basis will be increased by amounts taxable to such holder by virtue of a QEF election, mark-to-market election or the CFC rules and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as nontaxable returns of capital.

If a United States holder does not make a QEF election or mark-to-market election, any gain realised on the sale or exchange of a Class H Note will be subject to an interest charge and taxed as ordinary income. See ''Investment in a Passive Foreign Investment Company''.

If the Issuer were treated as a CFC and a United States holder were treated as a U.S. Shareholder therein, then any gain realised by such holder upon the disposition of Class H Notes would be treated as ordinary income to the extent of the current and accumulated earnings and profits of the Issuer. In this respect, earnings and profits would not include any amounts previously taxed pursuant to a timely QEF election or pursuant to the CFC rules.

A United States holder will determine the United States dollar value of amounts realized which are denominated in euro from the sale, redemption or other disposition of a Class H Note (or any other class of Notes which is treated as equity for United States federal income tax purposes) by translating the euro payment at the spot rate of exchange on the date of such sale, redemption or other disposition.

Taxation Of Class H Notes to non-United States holders

A non-United States holder of the Class H Notes will be exempt from any United States federal income or withholding taxes with respect to gain derived from the sale, exchange, or

retirement or any payments received in respect of the Class H Notes, unless such gain or payments are effectively connected with a United States trade or business of such holder, or such holder is a non-resident alien individual who holds the Class H Notes as a capital asset and who is present in the United States for 183 days or more in the taxable year of the disposition, and certain other conditions are satisfied.

Information Reporting Requirements

The Treasury Department has issued regulations with regard to reporting requirements relating to the transfer of property (including certain transfers of cash) to a foreign corporation by United States persons or entities. In general, these rules require United States holders who acquire Notes that are characterised (in whole or in part) as equity of the Issuer to file a Form 926 with the IRS and to supply certain additional information to the IRS. In the event a United States holder fails to file any such required form, the United States holder may be subject to a penalty equal to 10 per cent. of the fair market value of the Notes as of the date of purchase (generally up to a maximum penalty of U.S.$100,000 in the absence of intentional disregard of the filing requirement; in case of intentional disregard, no maximum applies). In addition, if (i) United States holders acquire Notes that are recharacterised as equity of the Issuer and (ii) the Issuer is treated as a "**controlled foreign corporation**" for United States federal income tax purposes, certain of those United States holders will generally be subject to additional information reporting requirements (e.g., certain United States holders will be required to file a Form 5471). Prospective investors should consult with their United States tax advisors concerning the additional information reporting requirements with respect to holding equity interest in foreign corporations.

Share Capital of the Issuer

The Issuer intends to treat the Share Capital in the Issuer as equity for United States federal income tax purposes. The Issuer will allocate for United States federal income tax purposes any item of income that is not paid in relation to the Notes or as deferred consideration to each Originator to the owner of the Share Capital.

Realised Losses

It is anticipated that each class of Notes will be treated as a "**security**" as defined in section 165(g)(2) of the Code. Accordingly, any loss with respect to the Notes as a result of one or more realised losses on the Loans will be treated as a loss from the sale or exchange of a capital asset at that time. In addition, no loss will be permitted to be recognised until the Notes are wholly worthless.

Each United States holder will be required to accrue interest with respect to a Priority Note without giving effect to any reductions attributable to defaults on the assumption that no defaults or delinquencies occur with respect to the Loans until it can be established that those payment reductions are not receivable. Accordingly, particularly with respect to the Class G Notes, the amount of taxable income reported during the early years of the term of the Priority Notes may exceed the economic income actually realised by the holder during that period. Although the United States holder of a Priority Note would eventually recognise a loss or reduction in income attributable to the previously accrued income that is ultimately not received as a result of such defaults, the law is unclear with respect to the timing and character of such loss or reduction in income.

Backup Withholding and Information Reporting

Information reporting to the IRS generally will be required with respect to payments of principal or interest or to distributions on the Notes and to proceeds of the sale of the Notes that, in each case, are paid by a United States payor or intermediary to United States holders other than corporations and other exempt recipients. "**Backup**" withholding tax will apply to those payments if such United States holder fails to provide certain identifying information (including such holder's taxpayer identification number) to such payor, intermediary or other withholding agent or such holder is notified by the IRS that it is subject to backup withholding. Non-United States holders may be required to comply with applicable certification procedures to establish that they are not United States holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding tax is not an additional tax and generally may be credited against a holder's United States federal income tax liability provided that such holder provides the necessary information to the IRS.

Tax Shelter Reporting Requirements – Currency Exchange Losses

Under United States Treasury regulations on tax shelter disclosure and list maintenance, taxpayers that enter into ''reportable transactions'' on or after 1 January 2003, are required to file information returns. In the case of a corporation or a partnership whose partners are all corporations, a reportable transaction includes any transaction that generates, or reasonably can be expected to generate, a loss claimed under Section 165 of the Code (without taking into account any offsetting items) (a ''**Section 165 Loss**'') of at least U.S.$10 million in any one taxable year or U.S.$20 million in any combination of taxable years. In the case of any other partnership, a reportable transaction includes any transaction that generates, or reasonably can be expected to generate a Section 165 Loss of at least U.S.$2 million in any taxable year or U.S.$4 million in any combination of taxable years. In the case of an individual or trust, a reportable transaction includes any transaction that generates, or reasonably can be expected to generate, a Section 165 Loss of at least U.S.$50,000 in any one taxable year arising from a currency exchange loss. In determining whether a transaction results in a taxpayer claiming a loss that meets the threshold over a combination of taxable years, only losses claimed in the taxable year that the transaction is entered into and the five succeeding taxable years are combined. Accordingly, if a United States holder realises currency exchange losses on the Notes satisfying the monetary thresholds discussed above, such United States holder would have to file an information return. Prospective investors should consult their tax advisers regarding these information return requirements.

For further information, see ''Disposition of Priority Notes by United States holders – Foreign Currency Considerations'' at 324.

UNITED KINGDOM TAXATION

The following is a summary of the position as regards United Kingdom withholding tax only in relation to payments of interest on the Notes under United Kingdom tax law and the generally published practice of H.M. Revenue & Customs at the date of this Prospectus. The summary is based on the assumption that the Issuer is not resident in the United Kingdom for United Kingdom tax purposes.

The interest on the Notes may be subject to United Kingdom withholding tax at the rate of 20 per cent. if the interest is treated as having a United Kingdom ''source''. However, as long as the Notes are listed on a ''recognised stock exchange'' (which includes the Irish Stock Exchange) at the time at which the interest is paid, the interest will not be subject to that tax. If the Notes are not so listed at that time, another exemption from that tax (including under any applicable double taxation treaty) may, depending on the circumstances, be available.

GERMAN TAXATION

German Taxation

The following is a summary based on the laws and practices currently in force in Germany regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. The tax treatment of the transactions subject to this opinion may change in future. Such changes may have retroactive or retrospective effect. Typically there will be no grand-fathering of existing structures. The summary exclusively refers to the tax treatment of the transactions contemplated in the documents to the extent German tax law is concerned.

The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

For purposes of this summary, a "**German holder**" means a beneficial owner of a Note that is, for German tax purposes, (a) an individual resident in Germany or (b) a corporation resident in Germany. Individuals are resident in Germany if they have a residence (*Wohnsitz*) in Germany or if their customary place of abode (*gewöhnlicher Aufenthalt*) is in Germany, i.e. if they are physically present in Germany for more than six months in any calendar year or for a consecutive period of six months overlapping a year end. Corporations are resident in Germany if they have a seat in Germany or if their place of management is located in Germany.

Interest income of German Holders

A resident individual is subject to unlimited taxation on its worldwide income. Thus, payments of interest on the Notes will be subject to German income tax of up to 42% plus solidarity surcharge of 5.5% thereon plus church tax, if any. Interest income received by a resident corporation will be subject to corporate income tax of 25% plus solidarity surcharge of 5.5% thereon and to German trade tax. If a holder sells a Note during a current interest period, the accrued interest (*Stückzinsen*), i.e. the interest accumulated between the date of sale and the preceding interest payment due date which the purchaser of the Note refunds to the vendor and which is billed separately by the vendor, received in connection therewith, will also be subject to income tax. On the other hand, accrued interest paid may be treated as "negative income" and thus may reduce the income tax basis for a resident individual.

Individuals are entitled to an annual tax-free allowance for investment income (such as interest, accrued interest, dividend etc.) to the amount of EUR 1,370 for singles and of EUR 2,740 for spouses filing joint tax returns. However, this allowance does not apply to investment income deriving from business assets and to investment income of corporations.

Interest payments on the Notes may be classified as interest on bonds and other debts within the meaning of sec. 43 para 1 sent. 1 no. 7 lit. a German Income Tax Act (*Einkommensteuergesetz*). They will be subject to German withholding tax (*Zinsabschlagsteuer*) at a rate of 30% plus 5.5% solidarity surcharge thereon (i.e. a total withholding tax rate of 31.65%) if the Notes are kept or administered by a German bank or financial services institution (including the German branch of a foreign bank or a foreign financial services institution) that holds the Notes in custody (safekeeping) and pays or credits the interest directly to the German holder ("**Paying Agent**" (*Zahlstelle*)). Such Paying Agent will be liable to withhold German withholding tax. If, however, a German holder has selected a foreign bank or financial services institution (but not e.g. its domestic branch) for performing the safekeeping of the Notes, and this bank is also directly paying out the interest to a foreign or German bank account of the German holder, the foreign bank or foreign financial services institution is not liable to withhold German withholding tax.

If the interest is paid by a disbursing agent upon physical presentation of the Notes (so-called "over-the-counter" transaction (*Tafelgeschäft*)), the withholding tax rate is 35% plus 5.5% solidarity surcharge thereon (i.e. a total withholding tax rate of 36.925%).

The withholding tax is regarded as an advance income tax payment, which is levied at source on account of the recipient of the interest payments. Thus, the withholding tax including the solidarity surcharge withheld from such payments may be later credited as prepayments against the German income or corporate income tax and the respective solidarity surcharge thereon of the recipient. Any excess of the actual tax of the German holder is refundable.

Disposition of Instruments by German Holder

Capital gains/losses realised by a resident individual upon the sale or other disposition of the Notes (held as private assets) within one year after the acquisition of such Notes are subject to German income tax (short-term capital gains). Such capital gains are calculated as the difference between the sales or repayment proceeds and the acquisition cost. Acquisition costs are the price plus any costs or fees attributable to the acquisition paid by a purchaser for the purchase of a Note. Any accrued interest invoiced plus withholding tax thereon, which is taxable as interest income, is not part of the capital gain. For resident individuals that hold the Notes as private assets capital gains are not subject to tax if its total amount is less than EUR 512 per year (*Freigrenze*). Outside the one-year holding period, any capital gain/loss is tax-free for such resident individuals.

Resident individuals that hold the Notes as private assets can only offset losses on the sale or other disposition of the Notes or as a result of any disposal or assignment during an insolvency of the debtor, if realised within one year of the acquisition, against taxable gains from the sale of private assets realised in the same year. Losses in excess of this amount may be carried back for off-setting against the preceding year's capital gains from the sale of private assets or are eligible to be carried forward for off-setting against the following year's capital gains. Such losses carried back or forward are, however, subject to the so-called ''minimum taxation''.

In case of a resident corporation or in cases where the Notes are part of a German trade or business of a resident individual or a resident partnership losses can be deducted as regular business expenses. Such losses carried back or forward are, however, subject to the so-called ''minimum taxation''.

Alternatively, it may be the case that the Notes are considered financial innovations (e.g. if traded flat, i.e. no accrued interest invoiced). In this case, a capital gain and possibly a loss derived from the sale or other disposition of the Notes would qualify as interest income being taxable for resident individuals regardless of a holding period. The amount qualified as interest income is usually calculated as the difference between the sales or repayment proceeds and the acquisition costs, i.e. the market yield (*Marktrendite*). As an exception to the market yield concept, the resident individual can prove the issue yield (*Emissionsrendite*), if available, which is defined as the guaranteed interest payable on the Notes at the time of their issuance. The resident individual is taxed on the pro rata temporis issue yield (*besitzzeitanteilige Emissionsrendite*), based on the period in which the resident individual has held the Notes. To the extent that a capital gain/loss from the disposal (sale/redemption) of the Notes by the private investor does not qualify as interest income (e.g. foreign currency gains/losses) and if realised within one year after the acquisition, the capital gain/loss is taxable for the individual investor. Outside the one-year holding period, the capital gain/loss that does not qualify as interest income is tax-free for resident individuals.

Capital gains/losses realised by a resident corporation or in cases where the Notes are part of a German trade or business of a resident individual or a resident partnership are subject to corporate income tax or income tax plus solidarity surcharge thereon and, possibly, trade tax irrespective of any holding period. The capital gain on any disposal of the Notes is calculated as the difference between the disposal price excluding the accrued interest of the relevant Note and the acquisition cost (or book value).

In case the Notes are considered financial innovations, the amount of the withholding tax and the solidarity surcharge thereon is usually calculated on the basis of the market yield, irrespective of the fact that the private investor has proven the pro rata temporis issue yield.

If the German bank or financial services institution has held the Notes in custody for the investor from the acquisition to the sale or repayment, the withholding tax is levied on an amount equal to the market yield. As an exception, if the Notes have not been so held, the withholding tax will be levied on an amount equal to 30% of the proceeds from the sale or repayment of the Notes.

Interest income of Issuer

The Issuer in principle is subject to German non-resident taxation due to the security taken over German real property under German domestic tax law, sec. 49 para 1 no. 5 (c) (aa) German Income Tax Act. Therefore, he needs to file a tax return in Germany. However, according to art. 7 of the German-Irish Double Taxation Treaty, Germany has waived its right to tax the interest income. In case the Issuer would not qualify for the protection under the Double Taxation Treaty

German corporate income tax (plus solidarity surcharge thereon) will be levied on the Issuer's German net income in the regular assessment procedure and no tax needs to be withheld on the interest payments made by a Borrower but tax authorities may impose, by way of discretionary decision, an obligation on a Borrower to make a tax withholding in the event that:

- the Issuer does not comply with its reporting and payment obligations under German tax law; and
- the claim of the German tax authorities can be considered to be at risk.

The withholding obligation imposed on a Borrower can be up to 25% of the gross interest proceeds provided the Issuer does not demonstrate that the tax on the net income is lower.

German Tax aspects for Non-German Holders

According to sec. 49 para 1 no. 5 (c) (aa) German Income Tax Act payments of interest, including accrued interest, to Noteholders who are not tax residents of Germany ("**Non-German Holders**") is subject to German non-resident taxation in case their claim is directly or indirectly secured by German real estate provided that the interest is not paid under a bond (*Anleihe*) or receivables (*Forderungen*) which are registered in a public register (*öffentliches Schuldbuch*) or for which a universal note (*Sammelurkunde*) or a divided note (*Teilschuldverschreibung*) is issued (referred to as the "securitised debt exception"). There are a number of reasons why individual holders of Notes should not be subject to German non-resident taxation according to sec. 49 para 1 no. 5 lit. c (aa) German Income Tax Act :

- Residents of jurisdictions which entered into a Double Taxation Treaty with Germany providing for a full exemption from German taxation of interest income are exempt from German taxation in any event.
- The securitised debt exemption should apply because the Notes should qualify as divided Notes (*Teilschuldverschreibung*).

However, even if the interest income of Non-German-Holders is subject to German non-resident taxation, it is in general not subject to withholding tax and solidarity surcharge. An exemption applies if either the Notes form part of a German permanent establishment or the interest payments, including accrued interest, are made through an "over-the counter" transaction.

If the interest from a note that is kept or administered in a domestic securities deposit account by a German bank or financial services institution (which term includes a German branch of a foreign bank or financial services institution, but excludes a foreign branch of a German financial institution) is received by persons who are not tax residents of Germany and who are taxable in Germany only with respect to German source income, and if, according to German tax law, such interest falls into a category of taxable income from German sources (e.g., income effectively connected with a German trade or business), the 30% withholding tax plus the 5.5% solidarity surcharge thereon are applicable (35% withholding tax plus 5.5% solidarity surcharge thereon in the event of an "over-the-counter" transaction). In the event that the Notes form part of a German permanent establishment and an assessment is being made in Germany, the withholding tax may be credited against the German personal or corporate income tax liability of such non-residents.

Capital gains/losses realised by Non-German Holders from the sale or other disposition of Notes and where the income from the Notes is not considered as income from German sources will not be subject to tax in Germany. German source income will be presumed if, for example, the Notes are held as part of a permanent establishment in Germany.

Interest and capital gains by non-residents might be taxable in Germany if effected in Germany through an "over-the-counter" transaction.

U.S. ERISA CONSIDERATIONS

The United States Employee Retirement Income Security Act of 1974, as amended (''**ERISA**''), imposes requirements on employee benefit plans (as defined in Section 3(3) of ERISA) subject to ERISA and on entities, such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (all of which are hereinafter referred to as ''**ERISA Plans**''), and on persons who are fiduciaries (as defined in Section 3(21) of ERISA) with respect to such ERISA Plans. The Code also imposes certain requirements on ERISA Plans and on other retirement plans and arrangements, including individual retirement accounts and Keogh plans (such ERISA Plans and other plans and arrangements are hereinafter referred to as ''**Plans**''). Certain employee benefit plans, including governmental plans (as defined in Section 3(32) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA), generally are not subject to the requirements of ERISA. Accordingly, assets of such plans may be invested in the Notes without regard to the ERISA prohibited transaction considerations described below, subject to the provisions of other applicable federal and state law.

Any discussion of United States federal tax issues set forth in this Offering Circular is written in connection with the promotion and remarketing by the Issuer and Underwriter of the transaction described in this Offering Circular. Such discussion is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any United States federal tax penalties that may be imposed on such person. Each investor should seek advice based on its particular circumstances from an independent tax advisor.

Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification, requirements respecting delegation of investment authority and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. Each ERISA Plan fiduciary, before deciding to invest in the Notes, must be satisfied that investment in the Notes is a prudent investment for the ERISA Plan, that the investments of the ERISA Plan, including the investment in the Notes, are diversified so as to minimise the risk of large losses and that an investment in the Notes complies with the ERISA Plan and related trust documents.

Section 406 of ERISA and/or Section 4975 of the Code prohibits Plans from engaging in certain transactions with persons that are ''parties in interest'' under ERISA or ''disqualified persons'' under Section 4975 of the Code with respect to such Plans (collectively, ''**Parties in Interest**''). The types of transactions between Plans and Parties in Interest that are prohibited include: (a) sales, exchanges or leases of property, (b) loans or other extensions of credit and (c) the furnishing of goods and services. Certain Parties in Interest that participate in a non-exempt prohibited transaction may be subject to an excise tax under ERISA or the Code. In addition, the persons involved in the prohibited transaction may have to rescind the transaction and pay an amount to the Plan for any losses realised by the Plan or profits realised by such persons and certain other liabilities could result that have a significant adverse effect on such persons.

Certain transactions involving the purchase, holding or transfer of the Notes might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of the Issuer were deemed to be assets of a Plan. Under regulations issued by the United States Department of Labor, set forth in 29 C.F.R. § 2510.3-101 (the ''**Plan Asset Regulations**''), the assets of the Issuer would be treated as plan assets of a Plan for the purposes of ERISA and Section 4975 of the Code only if the Plan acquires an equity interest in the Issuer and none of the exceptions contained in the Plan Asset Regulations is applicable. An equity interest is defined under the Plan Asset Regulations as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is no authority directly on point, it is anticipated that the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes should be treated as indebtedness under local law without any substantial equity features for purposes of the Plan Asset Regulations. By contrast, the Class X Notes, the Class G Notes and the Class H Notes may be treated as ''equity interests'' for purposes of the Plan Asset Regulations. Accordingly, the Class X Notes, the Class G Notes and the Class H Notes may not be purchased by or transferred to a Plan that is subject to the provisions of ERISA or Section 4975 of the Code or any governmental or church plan that is subject to any federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (''**Similar Law**''). Furthermore, in the event that the Class A1 Notes, the Class A2 Notes, the

Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes become a Recharacterised Note (as defined under the section titled "**United States Taxation**"), then such Note may not be purchased by or transferred to a Plan that is subject to the provisions of ERISA or Section 4975 of the Code or any governmental or church plan that is subject to Similar Law.

However, without regard to whether the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are treated as an equity interest for such purposes, the acquisition or holding of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes by or on behalf of a Plan could be considered to give rise to a prohibited transaction under ERISA or Section 4975 of the Code if the Issuer, Deutsche Bank AG, London Branch, the Managers, the Note Trustee or any of their respective affiliates is or becomes a Party in Interest with respect to such Plan. Certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the fiduciary making the decision to acquire the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 84-14, which exempts certain transactions effected on behalf of a Plan by a "qualified professional asset manager", PTCE 96-23, which exempts certain transactions effected on behalf of a Plan by an "in-house asset manager", PTCE 90-1, which exempts certain transactions between insurance company separate accounts and Parties in Interest, PTCE 91-38, which exempts certain transactions between bank collective investment funds and Parties in Interest and PTCE 95-60, which exempts certain transactions between insurance company general accounts and Parties in Interest (collectively, the "**Exemptions**"). Even if the conditions specified in one or more of the Exemptions are met, the scope of the relief provided by the Exemptions might or might not cover all acts which might be construed as prohibited transactions.

Nevertheless, even if an Exemption applies, a Plan generally should not purchase the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, if the Issuer, Deutsche Bank AG, London Branch, the Managers, the Issuer Related Parties or any of their respective affiliates either (a) has investment discretion with respect to the investment of assets of such Plan; (b) has authority or responsibility to give or regularly gives investment advice with respect to assets of such Plan, for a fee, and pursuant to an agreement or understanding that such advice will serve as a primary basis for investment decisions with respect to such assets and that such advice will be based on the particular investment needs of such Plan; or (c) is an employer maintaining or contributing to such Plan. A party that is described in clause (a) or (b) of the preceding sentence is a fiduciary under ERISA with respect to the Plan and any such purchase might result in a "prohibited transaction" under ERISA or the Code.

An insurance company proposing to invest assets of its general account in the Notes should consider the extent to which such investment would be subject to ERISA and Section 4975 of the Code. On 5th January 2000, the United States Department of Labor issued a final regulation which provides guidance for determining, in cases where insurance policies supported by an insurer's general account are issued to or for the benefit of a Plan on or before 31st December 1998, which general account assets are plan assets. That regulation generally provides that, if certain specified requirements are satisfied with respect to insurance policies issued on or before 31st December 1998, the assets of an insurance company general account will not be plan assets. Nevertheless, certain assets of an insurance company general account may be considered to be plan assets. Therefore, if an insurance company acquires Notes using assets of its general account, certain of the insurance company's assets may be plan assets and the provisions of ERISA and Section 4975 of the Code could apply to such acquisition and the subsequent holding of the Notes. An insurance company using assets of its general account may not acquire an interest in the Class X Notes, the Class G Notes or the Class H Notes, or, if applicable, any Recharacterised Note if any of such general account assets are considered to be plan assets.

The sale of any of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, to a Plan is in no respect a representation by the Issuer, Deutsche Bank, the Manager, the Note Trustee or the Issuer Security Trustee that such an investment meets all relevant legal requirements with respect to investments

by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Each purchaser of the Class A1 Notes, the Class A2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, will be deemed to have represented and agreed that (i) either (A) it is not purchasing such Notes with the assets of any Plan or any governmental or church plan that is subject to Similar Law or (B) that one of more exemptions applies such that the use of such assets will not constitute or result in a non-exempt prohibited transaction under ERISA or the Code (or, in the case of a governmental or church plan, any Similar Law), and (ii) with respect to transfers, it will either not transfer such Notes to a transferee purchasing such Notes with the assets of any Plan or governmental or church plan that is subject to Similar Law, or one or more exemptions applies such that the use of such assets will not constitute or result in a non-exempt prohibited transaction. The Class X Notes, the Class G Notes and the Class H Notes, and, if applicable, any Recharacterised Note may not be purchased by or transferred to a Plan that is subject to the provisions of ERISA or Section 4975 of the Code. Any Plan fiduciary that proposes to cause a Plan to purchase such instruments should consult with its counsel with respect to the potential applicability of ERISA and the Code to such investment and whether any exemption or exemptions have been satisfied.

LEGAL INVESTMENT

The Notes will not be "**mortgage related securities**" for purposes of the United States Secondary Mortgage Market Enhancement Act of 1984, as amended ("**SMMEA**"). As a result, the appropriate characterisation of the Notes under various United States legal investment restrictions, and thus the ability of investors subject to these restrictions to purchase the Notes, is subject to significant interpretive uncertainties.

No representations are made as to the proper characterisation of the Notes for legal investment purposes, financial institution regulatory purposes, or other purposes, or as to the ability of particular investors to purchase Notes under applicable legal investment restrictions. The uncertainties described above (and any unfavourable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes) may adversely affect the liquidity of the Notes.

Accordingly, all institutions whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult with their own legal advisors in determining whether and to what extent the Notes constitute legal investments for them or are subject to investment, capital or other restrictions.

SUBSCRIPTION AND SALE

Deutsche Bank AG, London Branch and Calyon (together, the "**Managers**") have agreed, pursuant to a subscription agreement dated 23rd March, 2006 (the "**Subscription Agreement**"), between the Managers, the Issuer and the Originator, subject to certain conditions, to subscribe and pay for agreed amounts of each of the Class A1 Notes at 100 per cent. of their principal amount, and the Class A2 Notes at 100 per cent. of their principal amount, the Class X Notes at 100 per cent. of their principal amount, the Class B Notes at 100 per cent. of their principal amount, the Class C Notes at 100 per cent. of their principal amount, the Class D Notes at 100 per cent. of their principal amount, and the Class E Notes at 100 per cent. of their principal amount, the Class F Notes at 100 per cent. of their principal amount, the Class G Notes at 100 per cent. of their principal amount and the Class H Notes at 100 per cent. of their principal amount.

The Issuer has agreed to reimburse Deutsche Bank AG, London Branch for certain of its expenses in connection with the issue of the Notes. The Subscription Agreement is subject to a number of conditions and may be terminated by the Managers in certain circumstances prior to payment to the Issuer. The Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

United States of America

Each of the Managers has acknowledged with the Issuer that the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. Each of the Managers has agreed that it will not offer, sell or deliver the Notes within the United States or to, or for the account or benefit of, U.S. persons except: (a) to persons it reasonably believes to be "qualified institutional buyers" ("**QIBs**")(as that term is defined under Rule 144A of the Securities Act) who are also "qualified purchasers" ("**QPs**") within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder in transactions complying with the requirements of Rule 144A under the Securities Act and (b) to certain persons in offshore transactions in reliance on Regulation S.

In connection with sales outside the United States, each Manager severally (and not jointly) has agreed under the Subscription Agreement that, except for sales described in the preceding paragraph, it will not offer, sell or deliver the Notes to, or for the account or benefit of U.S. persons (a) as part of such Manager's distribution at any time or (b) otherwise prior to the date that is 40 days after the later of the commencement of the offering and the Issue Date (the "**Distribution Compliance Period**") and, accordingly, that neither it, its affiliates nor any person acting on their behalf has engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Notes and it and its affiliates and any person acting on its or their behalf has complied with and will comply with the offering restriction requirements of Regulation S under the Securities Act to the extent applicable.

Each Manager under the Subscription Agreement has also severally (and not jointly) agreed that, at or prior to confirmation of sales of any Notes, it will have sent to each distributor, dealer or other person receiving a selling concession, fee or other remuneration to which it sells any Notes during the Distribution Compliance Period a confirm or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons. In addition, until the end of the Distribution Compliance Period, the offer or sale of any Notes within the United States by a distributor, dealer or other person that is 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 under the Securities Act.

The Subscription Agreement will provide that each Manager, through its U.S. registered broker-dealer affiliates, may arrange for the offer and resale of the Notes in the United States to persons that are both QIBs and QPs in transactions made in compliance with Rule 144A under the Securities Act. Each of the Managers under the Subscription Agreement has severally (and not jointly) agreed that neither it, nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) in connection with the offer and sale of the Notes in the United States.

Each of the Managers has represented in the Subscription Agreement that, within the United States it has only sold and will only sell the Notes to persons (including other dealers) that are both QIBs and QPs in the form of an interest in the Rule 144A Global Note that is set out in the Trust Deed. In addition, the Issuer will represent in the Subscription Agreement that, based on discussions with the Managers and other factors that the Issuer or their counsel may deem appropriate, the Issuer has a reasonable belief that initial sales and subsequent transfers of the Notes held through DTC to U.S. persons will be limited to persons who are both QIBs and QP.

Each of the Managers has severally (and not jointly) agreed that, in connection with each sale of the Notes to a QIB that is also a QP, it has taken or will take reasonable steps to ensure that the purchaser is aware that the Notes have not been and will not be registered under the Securities Act and that transfers of the Notes are restricted as set forth in the Trust Deed. Any offer or sale of the Notes will be made by broker-dealers, including affiliates of the Managers, who are registered as broker-dealers under the Exchange Act. The Managers may allow a concession, not in excess of the selling concession, to certain brokers or dealers.

The Issuer and the Managers will extend to each prospective investor the opportunity, prior to the consummation of the sale of the Notes, to ask questions of, and receive answers from, the Issuer concerning the Notes and the terms and conditions of the offering and to obtain additional information it may consider necessary in making an informed investment decision and any information in order to verify the accuracy of the information set forth herein, to the extent the Issuer and/or Managers, as applicable, possesses the same. Requests for such additional information may be directed to the Directors.

United Kingdom

Each of the Managers has severally (and not jointly) further represented and agreed that except as permitted by the Subscription Agreement:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**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

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

Ireland

Each of the Managers has severally (and not jointly) further represented and agreed that:

(a) either (i) it has complied and will comply with all applicable provisions of the Investment Intermediaries Act, 1995 (as amended) of Ireland including, without limitation, Sections 9 and 23 (including advertising restrictions made thereunder) thereof and the codes of conduct made under Section 37 thereof, or (ii) it is acting within the terms of an authorisation granted to it for the purposes of EU Council Directive 2000/12/EC of 20th March 2000 (as amended or extended) and it has complied with any codes of conduct or practice made under section 117(1) of the Central Bank Act, 1989 (as amended) of Ireland, in each case with respect to anything done by it in relation to the Notes if operating in, or otherwise involving, Ireland; and

(b) it has only issued or passed on, and it will only issue or pass on, in Ireland or elsewhere, any document received by it in connection with the issue of the Notes to persons who are persons to whom the document may otherwise lawfully be issued or passed on.

The Netherlands

Each of the Managers has severally (and not jointly) represented and agreed that:

(a) that it has not offered, sold, delivered or transferred and will not offer, sell, deliver or transfer, any of the Notes (including rights representing an interest in any Global Note), as part of their initial distribution or at any time thereafter, directly or indirectly, to

individuals or legal entities who or which are established, domiciled or have their residence in the Netherlands other than to professional market parties ("**Professional Market Parties**"), including, *inter alia*:

(i) Enterprises or entities under supervision by the Dutch Central Bank (*De Nederlandsche Bank*) ("**DCB**"), the Dutch Financial Markets Authority (*Autoriteit Financiële Markten*) or by a supervisory authority of another state and which are consequently authorised to act on the financial markets;

(ii) Enterprises or entities which pursue regulated activities on the financial markets otherwise than as set out under (i) above;

(iii) The Dutch Government (*de Staat der Nederlanden*), the DCB, foreign public bodies belonging to a central authority, Dutch regional, local or other decentralised governmental institutions, central banks, international treaty organisations and supranational institutions;

(iv) Enterprises or entities which, according to their most recent annual or consolidated accounts, meet at least two of the following three criteria:

  (A) an average number of employees during the financial year of 250;

  (B) an asset value of more than Euro 43,000,000; and

  (C) an annual net turnover of more than Euro 50,000,000.

(v) Dutch legal entities which have requested to be registered as a Professional Market Party;

(vi) Natural persons domiciled in the Netherlands which have requested to be registered as a Professional Market Party, and who meet at least two of the following three criteria:

  (A) on average at least 10 significant transactions on the financial marketsper quarter during the last four quarters;

  (B) the size of the natural person's securities portfolio exceeds Euro 500,000; and

  (C) the natural person has worked for at least one year in the financial sector in a professional position which requires knowledge of investment in securities,

(vii) Enterprises or institutions which sole corporate purpose is to invest in securities;

(viii) Enterprises or entities which are solely incorporated to carry out transactions to acquire assets in the meaning of 2:364 of the Dutch Civil Code (*Burgerlijk Wetboek*) which serve as collateral for securities (*effecten*) offered;

(ix) Enterprises or entities with total assets of at least Euro 500,000,000 as per the balance sheet as of the year end preceding the date they purchase or acquire the Notes;

(x) Enterprises, entities or natural persons which have net equity of at least Euro 10,000,000 as per the balance sheet as of the final year end preceding the date they purchase or acquire the Notes and who or which have been active in the financial markets on average twice a month over a period of at least two consecutive years preceding such date;

(xi) Subsidiaries of the entities referred to under (i) up to and including (viii) above provided such subsidiaries are subject to supervision on a consolidated basis;

(xii) Enterprises and institutions which have a rating of a rating agency that is recognised by the DCB or which issue securities that have a rating from such rating agency,

all within the meaning of and as further described and defined in section 1, paragraph E of the Dutch ministerial regulation of 26 June, 2002, as amended from time to time, implementing, *inter alia*, section 6, paragraph 2 of the Dutch 1992 Act of the Supervision of the Credit System (*Wet toezicht kredietwezen 1992*), as amended from time to time.

(b) If at the time of issue of Notes (including rights representing an interest in Global Note) the Issuer is not reasonably able to identify the current or future holders thereof, it may nevertheless issue such Notes if it has taken adequate measures to ensure that such Notes are held exclusively by Professional Market Parties, which are deemed to have been taken if the Notes:

(i) (A) have a denomination of at least Euro 100,000 (or the equivalent in any other currency) or with a denomination of less than Euro 100,000 but which can only be acquired or transferred in lots with a nominal value of at least Euro 100,000 (or the equivalent in any other currency); and

(B) are either:

(x) at the time of their issuance held in a collective deposit or giro within the meaning of section 10 or section 35 of the Securities Giro Act (*Wet giraal effectenverkeer*) or in a clearing system or centralised deposit system that is established or operating in a member state of the European Union, Liechtenstein, Iceland, Norway, the United States, Japan, Australia, Canada or Switzerland in which securities can only be held through a licensed credit institution or securities institution or directly by an affiliated institution qualifying as a Professional Market Party; or

(y) are initially issued to Professional Market Parties that are reasonably expected to transfer the Notes exclusively to Professional Market Parties,

all within the meaning of and as further described and defined in the Policy Rule 2005 on key Concepts of Market Access and Enforcement of the WTK 1992 (*Beleidsregel 2005 Kernbegrippen Markttoetreding en handhaving WTK 1992*) published by DBC (Official Gazette, 31st December 2004, no. 254) as amended and/or restated from time to time (the "**Policy Guideline**");

Or

(ii) (whether or not offered to Dutch Resident(s)) bear the following legend:

THIS NOTE (OR ANY INTEREST HEREIN) MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED AS PART OF ITS INITIAL DISTRIBUTION OR AT ANY TIME THEREAFTER, DIRECTLY OR INDIRECTLY, TO INDIVIDUALS OR LEGAL ENTITIES WHO ARE ESTABLISHED, DOMICILED OR HAVE THEIR RESIDENCE IN THE NETHERLANDS ("**DUTCH RESIDENTS**") OTHER THAN TO PROFESSIONAL MARKET PARTIES WITHIN THE MEANING OF THE EXEMPTION REGULATION PURSUANT TO THE DUTCH ACT ON THE SUPERVISION OF THE CREDIT SYSTEM 1992 ("**PMPs**").

EACH DUTCH RESIDENT BY PURCHASING THIS NOTE (OR ANY INTEREST HEREIN), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED FOR THE BENEFIT OF THE ISSUER THAT IT IS SUCH A PMP AND IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A PMP.

EACH HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN), BY PURCHASING THIS NOTE (OR ANY INTEREST HEREIN), WILL BE DEEMED TO HAVE REPRESENTED AND AGREED FOR THE BENEFIT OF THE ISSUER THAT (1) THIS NOTE (OR ANY INTEREST HEREIN) MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED TO DUTCH RESIDENTS OTHER THAN TO A PMP ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A PMP AND THAT (2) THE HOLDER WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS DESCRIBED HEREIN TO ANY SUBSEQUENT TRANSFEREE.

Austria

The Managers have severally (and not jointly) represented, warranted and agreed that this Offering Circular has been circulated in Austria for the sole purpose of providing information about the securities to a limited number of sophisticated investors in Austria. This Offering Circular is made available on the condition that it is solely for the use of the recipient as a sophisticated, potential and individually selected investor and may not be passed on to any other person or reproduced in whole or in part. This Offering Circular does not constitute a public offer (*öffentliches*

angebot) in Austria and must not be used in conjunction with a public offering in Austria and, therefore, the provisions of the Investment Fund Act of 1993 (*investmentfondsgesetz* 1993) do not apply. Consequently, no public offers or public sales may be made in Austria in respect of the Notes. The Notes are not registered in Austria and may not benefit from tax advantages applicable to registered securities. All prospective investors are urged to seek independent tax advice. The initial purchaser and its affiliates do not give tax advice.

General

Each of the Managers has severally (and not jointly) represented and agreed that other than the approval by the Financial Regulator in Ireland of this Offering Circular as a prospectus in accordance with the requirements of the Prospectus Directive and the relevant implementing measures in Ireland, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes, or the possession, circulation or distribution of this Offering Circular or any other material relating to the Issuer or the Notes in any jurisdiction where action for that purpose is required. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular (or any part thereof) comes will be required by the Managers to inform themselves about and observe any such restrictions. Neither this Offering Circular nor any part hereof constitutes, an offer of or an invitation by or on behalf of the Managers to subscribe for or purchase any of the Notes and may not be used for or in connection with an offer to or solicitation by any person in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisement in connection with the Notes may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Each of the Managers has severally (and not jointly) undertaken not to offer or sell any of the Notes, or to distribute this document or any other material relating to the Notes, in or from any jurisdiction except under circumstances that will result in compliance with applicable law and regulations.

Each prospective investor should consult its own business, legal and tax advisors for investment, legal and tax advice and as to the consequences (tax or otherwise) of an investment in the Notes.

For further information on subscription and sale arrangements, see ‘‘Important Notice’’ on page 2.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or any other relevant jurisdiction and accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described below.

Each purchaser of an interest in a Global Note or a Definitive Note (each initial purchaser of Notes, together with each subsequent transferee of Notes, is referred to herein as the "**Purchaser**") will be deemed, or in the case of a Definitive Note required to have acknowledged, represented and agreed as follows (terms used in this section that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) Purchaser Requirements. The Purchaser (i) (A) is an Eligible Investor (as defined below), (B) will provide notice of applicable transfer restrictions to any subsequent transferee, and (C) 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), or (ii) if the Purchaser is acquiring the Notes during the Distribution Compliance Period, the Purchaser: is not a U.S. person and is acquiring the Notes pursuant to Rule 903 or 904 of Regulation S.

"**Eligible Investors**" are defined for the purposes hereof as persons who are Qualified Institutional Buyers acting for their own account or for the account of other Qualified Institutional Buyers and excludes therefrom:

(1) Qualified Institutional Buyers (i) if it is a dealer of the type describe in paragraph (a)(1)(ii) of Rule 144A under the Securities Act 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 and a participant-directed employee plan, such as a 401(k) plan, or any other type of plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A, or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan, unless investment decisions with respect to the plan are made solely by the fiduciary, trustee or sponsor of such plan,

(2) 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,

(3) an entity that was formed, reformed or recapitalised for the specific purpose of investing in the Notes,

(4) 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 30th April 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

(5) any entity that will have invested more than 40 per cent. of its assets in the securities of the Issuer subsequent to any purchase of the Notes.

The Purchaser acknowledges that each of the Issuer and the Note 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 Note Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the foregoing restrictions.

(2) Notice of Transfer Restrictions. Each Purchaser acknowledges and agrees that (1) 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, (2) neither the Notes nor any beneficial interest therein may be re-offered, resold, pledged or otherwise transferred except in accordance with the provisions set forth above and (3) 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.

(3) Legends on Global Note. Each Purchaser acknowledges that each Rule 144A Global Note will bear a legend substantially to the effect set forth below and that the Issuer has covenanted in the Note Trust Deed not to remove either such legend.

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND THE ISSUER (AS DEFINED IN THE NOTE TRUST DEED) HAS NOT REGISTERED AND DOES NOT INTEND TO REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"), IN RELIANCE ON THE EXCLUSION FROM THE DEFINITION OF "INVESTMENT COMPANY" PROVIDED BY SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT, AS IT HAS BEEN DETERMINED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION STAFF TO APPLY IN THE CONTEXT OF SECTION 7(D) OF THE INVESTMENT COMPANY ACT.

BY PURCHASING OR OTHERWISE ACQUIRING A BENEFICIAL INTEREST IN THIS NOTE, EACH OWNER OF SUCH BENEFICIAL INTEREST WILL BE DEEMED TO HAVE REPRESENTED FOR THE BENEFIT OF THE ISSUER AND FOR ANY AGENT OR SELLER WITH RESPECT TO THE NOTES THAT IT (I)(A) IS AN "ELIGIBLE INVESTOR" (AS DEFINED BELOW), (B) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE, (C) IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE OTHER PERSONS EACH OF WHOM MEETS ALL THE PRECEDING REQUIREMENTS AND (D) AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THE NOTES OR ANY BENEFICIAL INTEREST HEREIN TO ANY PERSON EXCEPT TO A PERSON THAT MEETS ALL THE PRECEDING REQUIREMENTS AND AGREES NOT TO SUBSEQUENTLY TRANSFER THE NOTES OR ANY BENEFICIAL INTEREST HEREIN EXCEPT IN ACCORDANCE WITH THIS CLAUSE (D) OR (II) IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE PURSUANT TO RULE 903 OR 904 OF REGULATION S. IN THE CASE OF ANY SUCH TRANSFER PURSUANT TO CLAUSE (II), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE NOTES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE REG S GLOBAL NOTE (AS DEFINED IN THE NOTE TRUST DEED); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A TRANSFER CERTIFICATE TO THE DEPOSITORY (THE FORM OF WHICH IS ATTACHED TO THE DEPOSITORY AGREEMENT AND IS AVAILABLE FROM THE DEPOSITORY), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER (THE FORM OF WHICH IS ALSO ATTACHED TO THE DEPOSITORY AGREEMENT AND AVAILABLE FROM THE DEPOSITORY).

"ELIGIBLE INVESTORS" ARE DEFINED FOR THE PURPOSES HEREOF AS PERSONS WHO ARE QUALIFIED INSTITUTIONAL BUYERS ACTING FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF OTHER QUALIFIED INSTITUTIONAL BUYERS AND EXCLUDES THEREFROM: (I) QUALIFIED INSTITUTIONAL BUYERS THAT ARE BROKER-DEALERS THAT OWN AND INVEST ON A DISCRETIONARY BASIS LESS THAN $25 MILLION IN SECURITIES IF IT IS A DEALER OF THE TYPE DESCRIBED IN PARAGRAPH (a)(1)(ii) OF RULE 144A UNDER THE SECURITIES ACT, (II) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES, SHAREHOLDERS, EQUITY OWNERS, BENEFICIAL OWNERS OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF AND IN A TRANSACTION THAT MAY BE EFFECTED WITH LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (III) AN ENTITY THAT WAS FORMED, REFORMED OR RECAPITALIZED FOR THE SPECIFIC PURPOSE OF INVESTING IN THE ISSUER, AND ADDITIONAL CAPITAL OR SIMILAR CONTRIBUTIONS WERE SPECIFICALLY SOLICITED FROM ANY PERSON OWNING A BENEFICIAL INTEREST IN SUCH BENEFICIAL OWNER FOR THE PURPOSE OF ENABLING SUCH BENEFICIAL OWNER TO PURCHASE ANY NOTES, (IV) ANY INVESTMENT COMPANY EXCEPTED FROM THE INVESTMENT COMPANY ACT PURSUANT TO SECTION 3(c)(1) OR SECTION 3(c)(7) (OR A FOREIGN INVESTMENT COMPANY UNDER SECTION 7(d) THEREOF RELYING ON SECTION 3(c)(1)

OR 3(c)(7) WITH RESPECT TO ITS HOLDERS THAT ARE U.S. PERSONS), WHICH FORMED PRIOR TO 30 APRIL, 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 THE SECURITIES OF THE ISSUER IMMEDIATELY SUBSEQUENT TO ANY PURCHASE OF THE NOTES.

THE PURCHASER ACKNOWLEDGES THAT EACH OF THE ISSUER AND THE NOTE TRUSTEE RESERVES 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 NOTE 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 NOTE ACKNOWLEDGES THAT IN THE EVENT THAT AT ANY TIME THE ISSUER DETERMINES OR IS NOTIFIED BY A PERSON 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 FORTH IN THIS LEGEND OR OTHERWISE DETERMINES THAT ANY TRANSFER OR OTHER DISPOSITION OF ANY NOTES WOULD, IN THE SOLE DETERMINATION OF THE ISSUER OR A PERSON 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 NOTE 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 THE CONDITIONS OF THE NOTES, TO FORCE THE TRANSFER OF, OR REDEEM, ANY SUCH NOTES.

EACH PURCHASER OF THIS NOTE OR ANY INTEREST THEREIN, BY ITS ACQUISITION OF SUCH NOTE, REPRESENTS AND WARRANTS THAT EITHER (A) IT IS NOT A BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") WHICH IS SUBJECT THERETO (A "**BENEFIT PLAN**"), OR ANY PLAN AS DEFINED IN SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") WHICH IS SUBJECT THERETO (A "**PLAN**"), OR A GOVERNMENTAL OR CHURCH PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), OR AN ENTITY USING THE ASSETS OR ACTING ON BEHALF OF SUCH A BENEFIT PLAN, PLAN, OR GOVERNMENTAL OR CHURCH PLAN, OR AN ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE PLAN ASSETS OF ANY SUCH BENEFIT PLAN, PLAN, GOVERNMENTAL OR CHURCH PLAN OR (B) IN THE CASE OF A CLASS A1 NOTE, CLASS A2 NOTE, CLASS B NOTE, CLASS C NOTE, CLASS D NOTE, CLASS E NOTE OR CLASS F NOTE, ITS ACQUISITION AND HOLDING OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL OR CHURCH PLAN, ANY SIMILAR LAW). ANY ATTEMPTED TRANSFER OF SUCH NOTE OR ANY INTEREST THEREIN IN VIOLATION OF SUCH REPRESENTATION AND WARRANTY SHALL BE VOID AB INITIO.

(4) 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.

(5) Legends on Reg S Global Note. Each Purchaser acknowledges that each Reg S Global Note will bear a legend substantially to the effect set forth below and that the Issuer has covenanted in the Note Trust Deed not to remove either such legend.

BY PURCHASING OR OTHERWISE ACQUIRING ANY BENEFICIAL INTEREST IN THIS NOTE, EACH OWNER OF SUCH BENEFICIAL INTEREST WILL BE DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE ISSUER THAT IF IT SHOULD DECIDE TO

DISPOSE OF THE NOTES REPRESENTED BY THIS GLOBAL NOTE PRIOR TO THE TERMINATION OF THE DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), BENEFICIAL INTERESTS IN THIS GLOBAL NOTE MAY BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED ONLY TO A NON-U.S. PERSON AND IN COMPLIANCE WITH THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE ISSUER TO REGISTER AS AN "**INVESTMENT COMPANY**" UNDER THE INVESTMENT COMPANY ACT. ACCORDINGLY, ANY TRANSFERS OF THE NOTES FOLLOWING THE EXPIRATION OF THE DISTRIBUTION COMPLIANCE PERIOD MAY ONLY BE MADE: (A) TO A NON-U.S. PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (B) TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON (AS DEFINED IN REGULATION S) IN A TRANSACTION PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO PERSONS WHO QUALIFY AS "**ELIGIBLE INVESTORS**" (AS DEFINED IN THE NOTE TRUST DEED). IN THE CASE OF ANY SUCH TRANSFER PURSUANT TO CLAUSE (B), (1) THE TRANSFEREE WILL BE REQUIRED TO HAVE THE NOTES SO TRANSFERRED TO BE REPRESENTED BY AN INTEREST IN THE RULE 144A GLOBAL NOTE (AS DEFINED IN THE NOTE TRUST DEED); (2) THE TRANSFEROR WILL BE REQUIRED TO DELIVER A TRANSFER CERTIFICATE TO THE DEPOSITORY (THE FORM OF WHICH IS ATTACHED TO THE DEPOSITORY AGREEMENT AND IS AVAILABLE FROM THE DEPOSITORY), AND (3) THE TRANSFEREE WILL BE REQUIRED TO EXECUTE AN INVESTMENT LETTER (THE FORM OF WHICH IS ALSO ATTACHED TO THE DEPOSITORY AGREEMENT AND AVAILABLE FROM THE DEPOSITORY).

(6) Mandatory Transfer/Redemption. Each Purchaser acknowledges and agrees that in the event that at any time the Issuer determines (or is notified by a person 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 forth above or otherwise determines that any transfer or other disposition of any Notes would, in the sole determination of the Issuer or the Note Trustee 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 Note 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 to force the transfer of, or redeem, any such Notes.

(7) Denominations. Each Purchaser understands that it may not purchase, hold or transfer less than €250,000 Aggregate Principal Amount of Rule 144A Notes.

(8) Each Purchaser understands that any resale or other transfer of beneficial interests in a Reg S Global Note to U.S. Persons, and any resale or other transfer of beneficial interests in a Rule 144 Global Note to any person other than a QIB who is also a QP, shall not be permitted.

CD-ROM DISCLAIMER

The CD-ROM distributed contemporaneously with this Offering Circular contains a summary of the characteristics of the Properties (the "**Property Characteristics**") in the form of a spreadsheet in Microsoft Excel format, determined in respect of each Property prior to advancing any amounts under the relevant Loan. Prospective investors should be aware that Property Characteristics were determined and summarised prior to the date of this Offering Circular. None of the persons that produced the relevant Property Characteristics has been requested to update or revise any of the information contained in the spreadsheet or relating to the determination of the Property Characteristics nor to review, update or comment on the information contained in the summaries provided in the enclosed CD-ROM, nor shall they be requested to do so prior to the issue of the Notes. Accordingly, the information included in the spreadsheet and any other information relating or ancillary to the Property Characteristics enclosed CD-ROM, may not reflect the current physical, economic, competitive, market and other conditions with respect to the Properties. The information contained in the CD-ROM does not appear elsewhere in paper form in this Offering Circular and must be considered together with all of the information contained elsewhere in this Offering Circular, including without limitation, the statements made in the section entitled "**Risk Factors**" at page 61. All of the information contained in the CD-ROM is subject to the same limitations, qualifications and restrictions contained in the other portions of this Offering Circular.

Prospective investors are strongly urged to read this Offering Circular in its entirety prior to accessing the CD-ROM. If the CD-ROM was not received in a sealed package, there can be no assurance that it remains in its original format and should not be relied upon for any purpose.

The information contained in the CD-ROM does not form part of the information provided for the purposes of this Offering Circular nor part of the Prospectus to be filed with the Irish Stock Exchange or the Financial Regulator in Ireland.

All information contained in the CD-ROM is confidential and must be treated as such by any person into whose possession it comes.

GENERAL INFORMATION

1. The issue of the Notes was authorised by resolution of the board of directors of the Issuer passed on 16th March 2006.

2. It is expected that admission of the Notes to the Official List of the Irish Stock Exchange and to trading on its regulated market will be granted on or about the Closing Date, subject only to the issue of the Global Notes. The listing of the Notes will be cancelled if the Global Notes are not issued. Transactions will normally be effected for settlement in euro and for delivery on the third working day after the day of the transaction.

3. The CDIs have been accepted for clearance through DTC, Euroclear and Clearstream, Luxembourg as follows:

	WKN (for Regulation S CDIs	Common Code (for Regulation S CDIs)	ISIN (for Regulation S CDIs)	Common Code (for Rule 144A CDI's)	ISIN (for Rule 144A CDI's)	CUSIP (for Rule 144A CDI's)
Class A1	A0GPAJ	024489221	XS0244892211	024827186	US243575AA58	243575AA5
Class A2	A0GPAK	024647021	XS0246470214	024827267	US243575AB32	243575AB3
Class X	A0GPAL	024489434	XS0244894340	—	—	—
Class B	A0GPAM	024489507	XS0244895073	024827658	US243575AD97	243575AD9
Class C	A0GPAN	024489558	XS0244895586	024827704	US243575AE70	243575AE7
Class D	A0GPAP	024489604	XS0244896048	024828026	US243575AF46	243575AF4
Class E	A0GPAQ	024489639	XS0244896394	024828093	US243575AG29	243575AG2
Class F	A0GPAR	024647188	XS0246471881	024828131	US243575AH02	243575AH0
Class G	A0GPAS	024647404	XS0246474042	024828166	US243575AJ67	243575AJ6
Class H	A0GPAT	024647544	XS0246475445	024828182	US243575AK31	243575AK3

4. No statutory or non-statutory accounts in respect of any financial year of the Issuer have been prepared. For so long as the Notes are admitted on the Official List of the Irish Stock Exchange and to trading on its regulated market, the most recently published audited annual accounts of the Issuer from time to time will be available at the specified office of the Irish Paying Agent in Dublin. The Issuer does not publish interim accounts.

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

6. Since the date of its incorporation, the Issuer has entered into the Subscription Agreement being a contract entered into other than in its ordinary course of business.

7. Save as disclosed herein, since the date of incorporation of the Issuer, there has been (i) no material adverse change in the financial position or prospects of the Issuer and (ii) no significant change in the trading or financial position of the Issuer.

8. Copies of the following documents may be inspected in physical/electronic form during usual business hours on any week day (excluding Saturdays, Sundays, and public holidays) at the specified offices of the Irish Paying Agent in Dublin and at the registered office of the Issuer for the term of the Notes:

   (a) the memorandum and articles of association of the Issuer;

   (b) the Subscription Agreement referred to in paragraph 6 above;

   (c) the following documents (together, the "**Transaction Documents**"):

      (i) the Note Trust Deed;

      (ii) the Asset Transfer Agreements;

      (iii) the Deed of Charge and Assignment;

      (iv) the Issuer Servicing Agreement;

      (v) the Cash Management Agreement;

      (vi) the Issuer Corporate Services Agreement;

      (vii) the Liquidity Facility Agreement;

(viii) the Swap Agreements;

(ix) the Agency Agreement;

(x) the Depository Agreement;

(xi) the Issuer Security Documents;

(xii) the Master Definitions and Construction Schedule;

(xiii) the Inter-company Loan Agreements; and

(xiv) the Exchange Agency Agreement.

9. KPMG have been appointed as Auditors to the Issuer. KPMG is a member of the Institute of Chartered Accountants of Ireland.

10. The Note Trust Deed and the Deed of Charge and Assignment will provide that the Note Trustee and the Issuer Security Trustee may rely on reports or other information from professional advisers or other experts (whether addressed to or obtained by the Issuer, the Note Trustee, the Issuer Security Trustee or any other person) in accordance with the provisions of the Note Trust Deed and the Deed of Charge and Assignment respectively, whether or not such report or other information or engagement letter or other document entered into by the Note Trustee or the Issuer Security Trustee (as the case may be) and the relevant person in connection thereto, contains any monetary or other unit as the liability of the relevant professional advisor or expert.

11. The Collateral Term Sheet included at Appendix 3 was prepared for information purposes for potential investors.

APPENDIX 1

THE ATU BORROWER

The ATU Borrower

The ATU Borrower was incorporated in the Netherlands on 9th December 1991 as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*). The ATU Borrower is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under registration number 27137191. The registered office of the ATU Borrower is at Naritaweg 165, 1043 BW Amsterdam, the Netherlands. The telephone number of the ATU Borrower's registered office is +31 2057 22300.

The ATU Borrower is owned by the ATU Parent. The registered office of the ATU Parent is also at Naritaweg 165, 1043 BW Amsterdam, the Netherlands.

The ATU Borrower has no subsidiaries.

Principal Activities

The principal business of the ATU Borrower is the holding and managing of the ATU Properties.

Insofar as the Issuer is aware and is able to ascertain from information published by the ATU Borrower, the ATU Borrower is not, and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the ATU Borrower is aware) which may have, or have had, since the date of its incorporation, a significant effect on the ATU Borrower's financial position.

Principal Officers

The principal officers of the ATU Borrower are as follows:

Name	Business Address
Maurice Selhorst Trust International Management (T.I.M.) B.V.	Mecklenburg 47, 2171DV Sassenheim, the Netherlands Naritaweg 165 Telestone 8, 1043BW Amsterdam, the Netherlands.

Authorised and Issued Share Capital

The authorised share capital of the ATU Borrower is €90,000, consisting of 900 shares of €100 each. 183 ordinary shares of the ATU Borrower have been issued, all of which are fully paid up to €100 each and all of which are held by the ATU Parent.

Constitutional Documents

The constitutional documents in respect of the ATU Borrower may be inspected in physical/ electronic form during usual business hours on any weekday (excluding Saturdays, Sundays and Public Holidays) at the registered office of the Issuer for the term of the Notes.

APPENDIX 2

INDEX OF PRINCIPAL DEFINED TERMS

APPENDIX 3
COLLATERAL TERM SHEET

REGISTERED OFFICE

THE ISSUER
DECO 7 – Pan Europe 2 p.l.c.
First Floor
7 Exchange Place
International Financial Services Centre
Dublin 1, Ireland

THE ATU ISSUER
DECO-ABC 1 p.l.c
Trinity House
Charleston Road
Ranelagh, Dublin 6
Ireland

THE SWISS ISSUER
DECO – PE2 Swiss AG
c/o Treureva AG
Meuhlebachstrasse 25
8008 Zurich

THE OPERATING BANK, THE ISSUER SERVICER, THE ATU ISSUER SERVICER, THE SWISS ISSUER SERVICER, THE PRINCIPAL PAYING AGENT, THE AGENT BANK, THE CASH MANAGER
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

THE ISSUER SECURITY TRUSTEE AND THE NOTE TRUSTEE
Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB

LIQUIDITY FACILITY PROVIDER
Calyon, London Branch
Broadwalk House
5 Appold Street
London EC2A 2DA

REGISTRAR, DEPOSITORY, EXCHANGE AGENT
Deutsche Bank Trust Company Americas
1761 East St. Andrew Place
Santa Ana, California 92705

IRISH PAYING AGENT
Deutsche International Corporate Services (Ireland) Limited
5 Harbourmaster Place
International Financial Services Centre
Dublin 1, Ireland

LISTING AGENT
McCann FitzGerald Listing Services Limited
2 Harbourmaster Place
International Financial Services Centre
Dublin 1, Ireland

AUDITORS

TO THE ISSUER
KPMG
1 Harbourmaster Place
International Financial
Services Centre
Dublin 1, Ireland

TO THE ATU ISSUER
KPMG
1 Harbourmaster Place
International Financial Services Centre
Dublin 1, Ireland

TO THE SWISS ISSUER
PricewaterhouseCoopers
Stampfenbachstrasse 73
CH-8035 Zurich

LEGAL ADVISERS

To the Lead Manager
as to English Law and US Law
Sidley Austin
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA

To the Lead Manager
as to Irish Law
McCann FitzGerald
2 Harbourmaster Place
International Financial Services Centre
Dublin 1, Ireland

To the Lead Manager
as to German Law
Sidley Austin LLP
Taunusanlage 1
60329 Frankfurt am Main

and

Lovells
Untermainanlage 1
D-60329 Frankfurt am Main

To the Lead Manager
as to Swiss Law
Walder Wyss & Partners
Münstergasse 2
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CH-8022 Zürich

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1077XV Amsterdam

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14, rue Erasme
L-2010 Luxembourg

To the Note Trustee and Issuer Security Trustee
as to English Law
Sidley Austin
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA

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