

Base Prospectus

Aphex S.A.

(a société anonyme incorporated with limited liability in Luxembourg registered with the Register of Commerce and Companies in Luxembourg under number B-86,218)

U.S.\$15,000,000,000 Master Programme for the issue of Notes

It is intended that Aphex S.A. (the "Company") from time to time may issue notes (the "Notes") under the Master Programme for the issue of Notes described herein subject to compliance with relevant laws, regulations and directives.

The Notes will be issued on the terms set out in this Base Prospectus and in final terms (the "Final Terms") entered into in connection therewith. Notes may also be issued under the Master Programme on terms set out in a prospectus relating to such Notes which incorporates by reference the whole or any part of this Base Prospectus.

In connection with each Series of Notes, the Company may enter into over-the-counter derivatives agreements with Nomura International plc as counterparty (in such capacity, the "Counterparty") or such other person as may be specified in the relevant Supplemental Trust Deed and the relevant Final Terms (each term as defined below) documented by one or more confirmations and the Amended and Restated 1992 ISDA Master Agreement dated as of 13 February 2006 or such other agreement as may be specified in the relevant Final Terms as amended, supplemented and restated from time to time (together with the confirmations, the "Swap Agreement").

The obligations of the Company under each Series of Notes and any Swap Agreement will be secured by, *inter alia*, a charge, pledge or other security interest in favour of the Trustee over the assets of the Company specified as such in the Final Terms, subject to and all as more fully described in "Terms and Conditions of the Notes - Security" and in the applicable Final Terms. Subject to an assignment in favour of Deutsche Bank AG London in its capacity as Principal Paying Agent (the "Principal Paying Agent Assignment"), the obligations of the Company under the Notes will also be secured by an assignment in favour of the Trustee of the Company's rights under the Swap Agreement, if applicable. If the net proceeds of the enforcement of the security for the Notes are insufficient to meet in full the claims of all such secured parties (in accordance with the priorities described herein), none of the other assets of the Company will be available to meet the insufficiency and any outstanding liability of the Company shall be extinguished upon such enforcement regardless of any such insufficiency.

Payments of principal and interest in respect of the Notes will be made subject to withholding tax (if any) applicable to the Notes, without the Company being obliged to pay further amounts as a consequence.

Series of Notes may be rated by Moody's Investor Services, Inc. ("Moody's") and/or by other rating agencies specified in the Final Terms. Where Moody's has rated one or more Series of Notes issued by a Company, any Series of Notes to be issued by the Company that will not be rated (the "Non-Moody's Rated Notes") will be issued after Moody's has confirmed in writing that the rating of any other outstanding Series of Notes which are rated by Moody's are not adversely affected by the issue of the Non-Moody's Rated Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes.

The Notes will be obligations solely of the Company and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be obligations of, and will not be guaranteed by, Nomura International plc or the Trustee.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority in Luxembourg for the purposes of Directive 2003/71/EC (the "Directive") to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Master Programme for the period of 12 months from the date of publication of this Base Prospectus to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Such market is a regulated market for the purposes of the Directive 2004/39/EC of the European Parliament and of the Council on 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EC and 93/6/EEC and Directive 2001/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EC. However, unlisted Notes may be issued pursuant to the Master Programme and the Master Programme provides that Notes may be listed on such other stock exchange(s) as may be specified in the relevant Final Terms. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed on and admitted to trading on the regulated market of the Luxembourg Stock Exchange (or any other stock exchange or market).

Notes may be issued in bearer form and in registered form. Notes may be issued in definitive form or may be held and cleared through Euroclear Bank S.A./N.V. of 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium, as operator of the Euroclear system ("Euroclear") and Clearstream Banking, société anonyme of 42 Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg ("Clearstream, Luxembourg").

The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions.

This Base Prospectus and all documents incorporated herein by reference and the Final Terms of the Notes that will be listed on the Luxembourg Stock Exchange will be published in electronic form on the website of the Luxembourg Stock Exchange which is currently www.bourse.lu.

Arranger and Dealer

Nomura International plc

Information in relation to the Company is set out on pages 50 to 52 of this Base Prospectus. The final terms of each Series of the Company (and related information) will be set out in the Final Terms which should be read together with this Base Prospectus. Notes may also be issued under the Master Programme on terms set out in a prospectus relating to the Notes which incorporates by reference the whole or any part of this Base Prospectus. Any such Final Terms or prospectus will be published by being made available as described in paragraph 9 of “General Information”. The Base Prospectus should be read and construed in conjunction with each relevant Final Terms and all other documents which are deemed to be incorporated by reference in the Base Prospectus and in the relevant Final Terms. The Base Prospectus and the relevant Final Terms, shall, save as specified herein and therein, be read and construed on the basis that such documents are so incorporated by reference and form part of the relevant Base Prospectus and the relevant Final Terms.

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Directive and for the purpose of giving information with regard to the Company which, according to the particular nature of the Company and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

No person has been authorised to give any information or to make any representations other than those contained in this Base Prospectus or any documents incorporated by reference therein in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or any of the Dealers. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or the date upon which this document has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Company since the date hereof or the date upon which this document has been most recently amended or supplemented or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Company at any time.

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Company in connection with the Notes. The Dealers accept no liability in relation to the information contained in this Base Prospectus or any other information provided by the Company in connection with the Notes.

This Base Prospectus (and any other information supplied in connection with the Notes) is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Company or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Company and of the tax, accounting and legal consequences of an investment in any of the Notes for such investor. Each prospective purchaser of any of the Notes, in connection with their primary distribution or otherwise, shall have such knowledge and experience in financial and business matters that it is capable of evaluating the merits, risks and suitability of investing in the Notes.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Company or the Dealers to subscribe for, or purchase, any Notes. The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus come are required by the Company and the Dealers to inform themselves about and to observe any

such restrictions. The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the “Securities Act”) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Base Prospectus, see “Subscription and Sale and Transfer Restrictions”.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “€” and “EUR” are to the Euro and U.S.\$ and USD are to U.S. dollars.

In connection with the issue of any Series of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes (provided that, in the case of any Series of Notes to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the relevant Series of 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(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series of Notes and 60 days after the date of the allotment of the relevant Series of Notes.

TABLE OF CONTENTS

	Page
RISK FACTORS	5
RESPONSIBILITY STATEMENT	9
SUPPLEMENTARY INFORMATION	10
DOCUMENTS INCORPORATED BY REFERENCE.....	11
GENERAL DESCRIPTION OF THE MASTER PROGRAMME	13
TERMS AND CONDITIONS OF THE NOTES	20
APHEX S.A.	50
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	53
FORM OF FINAL TERMS.....	59
TAXATION.....	68
THE CUSTODY ARRANGEMENTS	71
USE OF PROCEEDS AND EXPENSES.....	72
SUBSCRIPTION AND SALE.....	73
GENERAL INFORMATION.....	77

RISK FACTORS

General

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as underlying securities for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules. The following risk factors, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a portion of a Noteholder's investment in the Notes. Each prospective purchaser of Notes is solely responsible for making its own independent appraisal of all such matters and such other matters as the prospective purchaser deems appropriate, in determining whether to purchase Notes and that an investment in the Notes is suitable for its investment purposes.

Risks Relating to the Notes

Limited Recourse

The Notes will be limited recourse obligations of the Company secured on the Mortgaged Property and will not be obligations or responsibilities of, or guaranteed by, any other person or entity. The Company is a special purpose company established, *inter alia*, for the purpose of issuing the Notes. The holders of the Notes and Coupons shall have no recourse to the Company beyond the moneys derived by or on behalf of the Company in respect of the Mortgaged Property. Any shortfall on realisation of the security shall be borne by the Noteholders and the Couponholders.

Further, the Trustee and the Noteholders will not be entitled at any time to petition or take any other step for the winding-up of, or the appointment of an examiner to, the Company. No person other than the Company will be obliged to make payments on the Notes.

No Representation or Warranty

None of the Counterparty or the Company or any of their directors or employees makes any representation or warranty in relation to the creditworthiness of any Company in respect of the Securities designated from time to time, or the Counterparty.

Reliance on creditworthiness of other parties

The ability of the Company to meet its obligations under the Notes will depend on the receipt by it of payments under the Swap Agreement. Consequently, if the Notes are Credit Linked, the Company is exposed not only to the occurrence of credit events in relation to any of the reference obligations or any reference entity, but also to the ability of the Counterparty to perform their obligations under the Swap Agreement.

The receipt by the Company of payments under the Swap Agreement is also dependent on the timely payment by the Company of its obligations under the Swap Agreement. The ability of the Company to make timely payment of its obligations under the Swap Agreement depends on receipt by it of the scheduled payments under the Mortgaged Property. Consequently, the Company is also exposed to the ability of the issuer of the Mortgaged Property to perform its payment obligations.

The Collateral will be held in an account of, and in the name of, the Custodian. Where the Collateral consists of assets other than securities, it may be held in the name of or under the control of the Custodian or in such other manner as is approved by the Trustee. The Custodian may be responsible under the Agency Agreement for receiving payments on the Collateral and remitting them to the relevant other creditors or the Principal Paying Agent, as the case may be.

Subordination of the Notes to payments under the Swap Agreement

If Counterparty Priority is specified in the relevant Final Terms and an enforcement of the security granted by the Company in favour of the Trustee, the rights of the Noteholders to be paid amounts due under the Notes will be subordinated to (i) the operating expenses due and payable to the Trustee including expenses incurred in the enforcement of the security, and (ii) the prior rights of the Counterparty in respect of the Company's obligations to the Counterparty and any termination payment due from the Company to the Counterparty under the Swap Agreement.

Early Redemption following Termination of the Swap Agreement

If the Swap Agreement is terminated the Notes will become due to be redeemed.

Early Redemption for Tax or Legal Reasons

The Company may for specified tax or legal reasons, as detailed in Condition 7(c), upon giving notice to Noteholders, redeem all Notes earlier than the Maturity Date.

The Swap Agreement

If there is an early termination of the Swap Agreement, the Company, or the Counterparty may be liable to make a termination payment to the other (if applicable, regardless of which of such parties may have caused such termination).

If there is an early termination of the Swap Agreement and early redemption of the Notes and regardless of which party makes the determination of the termination payment (if any), there is no assurance that the proceeds from the Collateral plus or minus, as the case may be, such termination payment will be sufficient to repay the principal amount due to be paid in respect of the Notes and any other amounts in respect thereof that are due.

No Tax Gross-Up

Payments on the Notes will be made subject to withholding tax (if any) applicable to the Notes, without the Company being obliged to pay additional amounts in respect of the Notes as a result thereof.

Modification, Waivers and Substitution

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Company.

The Calculation Agent

The Calculation Agent is required to calculate certain amounts in relation to the Notes. Noteholders may receive different distributions and/or payments as a result of roundings effected by the Calculation Agent.

Market, Liquidity and Yield Considerations

Notes may not have an established trading market when issued. There can be no assurance of a secondary market for any Notes or the liquidity of such market if one develops. Consequently, investors may not be able to sell their Notes readily or at prices that will enable them to realize a yield comparable to that of similar instruments, if any, with a developed secondary market.

Legality of Purchase

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

No investigations

No investigations, searches or other enquiries have been made by or on behalf of the Company or the Trustee in respect of the Mortgaged Property. No representations or warranties, express or implied, have been given by the Company, the Dealer, the Trustee or any other person on their behalf in respect of the Mortgaged Property.

Mortgaged Property

Noteholders may be exposed to the market price of the Mortgaged Property. The Company may have to fund its payments by the sale of the Mortgaged Property at a market value and the nominal amount of the Mortgaged Property will be reduced by the principal amount of the Mortgaged Property sold. The market price of the Mortgaged Property will generally fluctuate with, among other things, the liquidity and volatility of the financial markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the issuer of the Mortgaged Property. The Dealer may have acquired, or during the terms of the Notes may acquire, confidential information with respect to any Mortgaged Property and it shall not be under any duty to disclose such confidential information to any Noteholder.

Custody Arrangements

In circumstances where a charge under English law is expressed to be taken over the Collateral and the Collateral is held by or through the Custodian through a clearing system or where the Collateral is held outside England and Wales, any security over the Collateral will take the form of an assignment by way of security of the Company's rights against the Custodian under the Agency Agreement to the extent that such rights relate to the Collateral, rather than a charge over the Collateral itself.

Where the Collateral is held by a sub-Custodian on behalf of the Custodian it will be held pursuant to separate agreements which may vary in relation to any particular Custodian and/or sub-custodian and which may not be governed by English law and security interests (if any) in respect of the Collateral may be created pursuant to separate agreements which may not be governed by English law. The Custodian will not necessarily be responsible for the acts, omissions, insolvency or dissolution of a sub-custodian. Where the Collateral comprises Japanese Government Bonds, such collateral may be held by a Japanese sub-Custodian on behalf of the Custodian pursuant to separate arrangements which may be governed by Japanese law. Security in the form of a pledge agreement governed by Japanese law may be taken over or in respect of the Collateral as specified in the relevant Final Terms. However, where no security is taken over these separate arrangements or over the Collateral itself (as specified in the relevant Final Terms), the insolvency or dissolution of the Custodian or the sub-Custodian may affect the ability of the Company to meet its obligations under the Notes.

Credit Ratings

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Denomination

Notes will be in such denominations as may be specified in the relevant Final Terms save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Directive, the minimum denomination shall be €50,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) in the case of any unlisted Notes (but subject to (i) above), the minimum specified denomination shall be €1,000 (or its equivalent in any other currency as at the date of issue of those Notes).

Risks Relating to the Company

The Company is a Special Purpose Vehicle

The Company's primary business is the raising of money by issuing Series of Notes or other obligations for the purposes of purchasing assets and entering into related derivatives and other contracts. As such, the Company has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of each Series of Notes or entry into other obligations from time to time (and any related profits and the proceeds of any deposits and investments made from such fees) and any assets on which Series of Notes or other obligations are secured.

No Regulation of the Company by any Regulatory Authority

The Company is not required to be licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and will operate without supervision by any authority in any jurisdiction. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Company. The taking of a contrary view by such regulatory authority could have an adverse impact on the Company or the holders of a Series of Notes.

Any investment in a Series of Notes does not have the status of a bank deposit and is not within the scope of any deposit protection scheme.

RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Company, having taken all reasonable care to ensure that such is the case, the Company confirms that this document contains all information with respect to the Notes that is material in the context of the issue and offering of the Notes and there are no other facts in relation to the Company or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Base Prospectus misleading in any material respect and all reasonable enquiries have been made by the Company to ascertain such facts and to verify the accuracy of all such information and statements.

SUPPLEMENTARY INFORMATION

With respect to any Notes issued by the Company and listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the Company will agree to comply with any undertakings given by it from time to time to the Luxembourg Stock Exchange in connection with such listed Notes and, without prejudice to the generality of the foregoing, the Company will, so long as any of its Notes remains outstanding and listed and admitted to trading on such market, in the event of any material adverse change in the financial condition of the Company which is not reflected in the Base Prospectus, prepare a supplement to the Base Prospectus or publish a new base prospectus as may be required by Article 16 of the Directive for use in connection with any subsequent issue of Notes to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

If the terms of the Master Programme are modified or amended in a manner which would make the Base Prospectus, as so modified or amended, inaccurate or misleading, a new base prospectus will be prepared.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the audited annual accounts of the Company for the financial years ended 28 February 2003, 29 February 2004 and 28 February 2005 together with the audit reports thereon, which have been previously published and have been filed with the CSSF. Such documents shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

Documents incorporated by reference

Audited annual accounts of the Company for the financial year ended 28 February 2003 and the report of the Commissaire, in relation to such annual accounts (the “**Aphex S.A. 2003 Annual Accounts**”)

Audited annual accounts of the Company for the financial year ended 29 February 2004 and the report of the Commissaire, in relation to such annual accounts (the “**Aphex S.A. 2004 Annual Accounts**”)

Audited annual accounts of the Company for the financial year ended 28 February 2005 and the report of the Commissaire, in relation to such annual accounts (the “**Aphex S.A. 2005 Annual Accounts**”)

The information incorporated by reference above is available as follows:

Information Incorporated by Reference	Reference
2003 Accounts	
Balance Sheet	Page 2 of the Aphex S.A. 2003 Annual Accounts
Profit & Loss Account	Page 3 of the Aphex S.A. 2003 Annual Accounts
Notes	Pages 4-8 of the Aphex S.A. 2003 Annual Accounts
2004 Accounts	
Balance Sheet	Page 2 of the Aphex S.A. 2004 Annual Accounts
Profit & Loss Account	Page 3 of the Aphex S.A. 2004 Annual Accounts
Notes	Pages 4-8 of the Aphex S.A. 2004 Annual Accounts
2005 Accounts	
Balance Sheet	Page 2 of the Aphex S.A. 2005 Annual Accounts
Profit & Loss Account	Page 3 of the Aphex S.A. 2005 Annual Accounts

Information Incorporated by Reference	Reference
Notes	Pages 4-8 of the Aphex S.A. 2005 Annual Accounts

GENERAL DESCRIPTION OF THE MASTER PROGRAMME

The following general description of the Master Programme is qualified in its entirety by the remainder of this Base Prospectus and the relevant Final Terms. The Notes may be issued on such terms as may be agreed between the relevant Dealer(s) and the Company and, unless specified to the contrary in the relevant Final Terms, will be subject to the Terms and Conditions set out below. The relevant Final Terms will contain all relevant information concerning the Company and the Series to which it relates which does not appear in this Base Prospectus.

Company	Aphex S.A.
Arranger	Nomura International plc
Dealers	<p>The Arranger and any other Dealer appointed from time to time by the Company.</p> <p>The name(s) of the Dealer(s) for each Series will be stated in the relevant Final Terms.</p>
Trustee	Deutsche Trustee Company Limited
Principal Paying Agent	Deutsche Bank AG London
Listing Agent	Deutsche Bank Luxembourg S.A.
Distribution	Notes may be distributed by way of private or public placement and in each case on a non-syndicated or a syndicated basis.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in the currency of any country as may be agreed by the Company and the relevant Dealer(s) on a case by case basis.
Security	<p>No security created by the Company in respect of any Series of Notes shall benefit holders of any other Series of Notes issued by (or any other creditors of) it.</p> <p>Each Series of Notes is secured (subject to the provisions of, and as more fully described in, Condition 4) by way of charge, pledge, assignment or other security interest in favour of the Trustee over the Charged Assets, being the assets specified as such and further described in Condition 4 and the relevant Final Terms.</p> <p>If so specified in the relevant Final Terms, the Company may or may not enter into a Swap Agreement in connection with a Series of Notes. Subject to the Principal Paying Agent Assignment, each Series of Notes in respect of which there is a relevant Swap Agreement is secured by a charge in favour of the Trustee of the Company's rights under that Swap Agreement.</p> <p>In respect of each Series the Charged Assets together with the rights of the Company under any relevant Swap Agreement (subject to the Principal Paying Agent Assignment) are referred to as the "Mortgaged Property". The Company will use the</p>

cashflows generated by the Mortgaged Property to meet the Company's payment obligations under the Notes.

Early Termination of Swap Agreement:

Swap Agreement may be terminated early in various circumstances, including:

- (a) if withholding taxes are imposed on payments made by the relevant Company or the Counterparty, as the case may be; or
- (b) at the option of one party, if there is a failure by the other party to pay any amounts due, or to comply with or perform any obligation under the Swap Agreement; or
- (c) upon the Notes becoming payable in whole or in part in accordance with their conditions at any time prior to their maturity, other than in circumstances referred to in (d) below; or
- (d) at the option of the Counterparty under the Swap Agreement, if any of the Notes to which such Swap Agreement relates to are purchased by or on behalf of the Counterparty, or any of its subsidiaries or affiliates; or
- (e) upon the occurrence of certain other events with respect to either party to the Swap Agreement, including insolvency, merger without an assumption of the obligations in respect of the Swap Agreement or changes in law resulting in illegality; or
- (f) upon the occurrence of certain other events with respect to the Counterparty such as a breach of a representation, default under a Specified Transaction (as defined in the Swap Agreement),

or as otherwise specified in the relevant Final Terms.

On the occurrence of any of the events referred to above, a termination payment will be due to be paid by the relevant Company to the Counterparty or to the relevant Company by the Counterparty in respect of the Swap Agreement.

Except as specifically stated above there is no guarantee that upon any such termination the funds realised from the disposal of the Collateral plus or minus (as the case may be) the termination payment due in respect of the Swap Agreement will be sufficient to pay, in full, amounts owing to the Noteholders. To the extent any such shortfall arises, neither the relevant Company nor the relevant Counterparty will be obliged to make any further payment to meet any such shortfall and accordingly no debt shall be owed by the relevant Company or Counterparty, as the case may be, in respect of any such

shortfall. No other assets of the relevant Company or Counterparty, as the case may be, will be available to meet such shortfall. The Counterparty shall not be entitled to petition or take any other step for the winding up of the relevant Company.

Any termination payment in respect of the Swap Agreement will be based on the replacement cost or gain for a swap transaction with the same financial terms as the Swap Agreement. In all cases of early termination, the termination payment will be determined on the basis of quotations received from the leading dealers in the relevant market (failing which, by the Counterparty) in accordance with the terms of the Swap Agreement.

Limited Recourse

No party shall have a claim in respect of any shortfall remaining after enforcement of the Security for any Series of Notes of the Company and application of the proceeds thereof in accordance with the Trust Deed and the Conditions (and in particular Condition 4(b)) and failure by the Company to make any payment in respect of any such shortfall shall in no circumstances constitute an Event of Default under such Series or under any other Series of Notes.

There is no intention to accumulate surpluses in the Company.

Form of Notes

The Notes may be issued in bearer form only (“Bearer Notes”) or in registered form only (“Registered Notes”). Each Series of Bearer Notes with a maturity of more than 365 days in respect of which the D Rules are specified as being applicable in the relevant Final Terms will be represented by a temporary global note (each a “Temporary Global Note”) initially, unless the Principal Paying Agent is notified to the contrary by the Company. Each Series of Bearer Notes with a maturity of 365 days or less or in respect of which the C Rules are specified as being applicable in the relevant Final Terms will be represented by a permanent global note (each a “Permanent Global Note”) initially, unless the Principal Paying Agent is notified to the contrary by the Company, or in relation to which the Company so notifies the Principal Paying Agent. Such Global Notes will be deposited in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg, on the issue date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg. Global Notes representing Notes which are not listed and admitted to trading on the regulated market on the Luxembourg Stock Exchange and which are in respect of a Series intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg or delivered outside a clearing system, may be deposited in the manner agreed between the Company, the Principal Paying Agent and the relevant Dealer(s). No interest

will be payable in respect of a Temporary Global Note except as described under “Summary of Provisions Relating to the Notes while in Global Form”. Interests in Temporary Global Notes will be exchangeable for interests in Permanent Global Notes or, if so stated in the relevant Final Terms, for Definitive Notes in bearer or registered form, as set out in the relevant Final Terms, in the case of Notes in bearer form after the date falling 40 days after the issue date upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes in bearer form or registered form in the circumstances described under “Summary of Provisions Relating to the Notes while in Global Form”.

Each Series of Notes in registered form may be represented (i) by one or more Global Certificates in registered form without Coupons, deposited on the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee for Euroclear and Clearstream, Luxembourg or (ii) by Individual Certificates, as specified in the relevant Final Terms. See “Subscription and Sale”. Global Certificates will be exchangeable for Individual Certificates in the limited circumstances set out therein. See “Summary of Provisions Relating to Notes while in Global Form”. References to “Noteholder” mean the bearer of any Bearer Note and the Coupons relating to it or the person in whose name a Registered Note is registered (as the case may be) and to “holder” (in relation to a Note or Coupon) means the bearer of any Bearer Note, Coupon or the person in whose name a Registered Note is registered (as the case may be).

Denomination

Definitive Notes will be in such denominations as may be specified in the relevant Final Terms save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Directive, the minimum denomination shall be €50,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) in the case of any unlisted Notes (but subject to (i) above), the minimum specified denomination shall be €1,000 (or its equivalent in any other currency as at the date of issue of those Notes).

Maturities

Subject as set out below and in compliance with all relevant laws, regulations and directives, the Notes issued pursuant to the Master Programme will have a minimum maturity of one month and may also be issued with no fixed maturity and in perpetual form. In case the Company is a company governed by Luxembourg law, perpetual Notes may be redeemed or

	repurchased at any time by the Company or may be redeemed at any time at the option of the Noteholder.
Issue Price	Notes may be issued at their principal amount or at a discount or premium to their principal amount.
Method of Issue	The Notes will be issued in one or more Series. Further Notes may be issued as part of an existing Series.
Fixed Rate Notes	Fixed interest will be payable on the date or dates in each year specified in the relevant Final Terms and at maturity.
Floating Rate Notes	Notes with no fixed rate of interest will bear interest set separately for each Series by means of a formula or a series of formulae or may be based on an Index Rate in the manner specified in the relevant Final Terms. Interest periods will be specified in the relevant Final Terms.
Zero Coupon Notes	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both.
Redemption Amounts	The Final Terms issued in respect of each issue of Notes will specify the basis for calculating the redemption amounts payable, which may be par or set by reference to an index or formula or as otherwise provided in the relevant Final Terms.
Exchangeable Notes	Exchangeable Notes may be redeemed by the Company making available for delivery to Noteholders the Collateral relating to such Notes against presentation and surrender thereof in accordance with the terms set out in the applicable Final Terms.
Callable Notes	Callable Notes may be redeemed early at the option of the Company at the Optional Redemption Amount in accordance with the terms set out in the applicable Final Terms.
Puttable Notes	Puttable Notes may be redeemed early at the option of the Noteholders at the Optional Redemption Amount in accordance with the terms set out in the applicable Final Terms.
Credit-linked Notes	Credit-linked Notes may be redeemed on or prior to the scheduled maturity date upon the occurrence of a Credit Event in accordance with the terms set out in the applicable Final Terms.
Other Notes	Terms applicable to any other type of Note which the Company and any Dealer or Dealers may agree to issue will be set out in the relevant Final Terms.
Optional Redemption	Subject to the restrictions set out in “Maturities” above, the Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Company (either in whole or in

part) and/or the holders, and if so the terms applicable to such redemption.

Early Redemption

Notes of any Series may be redeemed prior to their stated maturity on termination of the relevant Swap Agreement (if applicable) or on imposition of any tax in respect of payments under any Charged Assets relating to such Series in accordance with Condition 7.

Taxation

Payments of principal and interest in respect of the Notes will be made subject to withholding tax (if any) applicable to the Notes without the Company being obliged to pay further amounts as a consequence, as described in “Terms and Conditions of the Notes - Taxation”.

Status of Notes

The Notes and the Coupons are secured obligations of the Company and rank and will rank *pari passu* without any preference among themselves. The Notes represent limited recourse obligations of the Company.

Restrictions

So long as any of the Notes remain outstanding, the Company will not, without the consent of the Trustee, incur any other indebtedness for borrowed moneys, engage in any business (other than the transactions contemplated by this Base Prospectus), declare any dividends (except as contemplated in the Trust Deed) or have any subsidiaries. See “Terms and Conditions of the Notes — Restrictions”.

Cross Default

The Conditions of each Series of Notes will not contain any cross default provision.

The Events of Default which apply to the Notes are set out in Condition 9.

Listing

Notes may be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. Further, the relevant Final Terms may specify that a Series of Notes may not be listed on any stock exchange, or may be listed on one or more stock exchanges other than the Luxembourg Stock Exchange.

Rating:

Series of Notes under the Master Programme may be rated by Moody’s and/or by other rating agencies specified in the relevant Final Terms. Where Moody’s has rated one or more Series of Notes issued by a Company, any Series of Non-Moody’s Rated Notes will be issued after Moody’s has confirmed in writing that the rating of any other outstanding Series of Notes which are rated by Moody’s are not adversely affected by the issue of the Non-Moody’s Rated Notes.

Governing Law

The Notes (including the Global Notes and the Global Certificates) and the Coupons are governed by English law. If the Company is a company incorporated, domiciled or having its principal place of business in Luxembourg, then the

provisions of Articles 86 to 94-8 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) are hereby excluded.

TERMS AND CONDITIONS OF THE NOTES

The following (apart from the text in italics) is the text of the terms and conditions which, subject to completion and amendment and as supplemented, modified or replaced by the provisions of the relevant Supplemental Trust Deed, and as described in the relevant Final Terms and the section headed “Summary of Provisions Relating to the Notes while in Global Form”, will be applicable to the Global Note(s) or Global Certificates representing each Series and to the Definitive Bearer Notes or Individual Certificates (if any) issued in exchange therefor and will be endorsed on such Definitive Bearer Notes or Individual Certificates, details of the relevant Series being shown on the relevant Notes or Certificates and in the relevant Final Terms. References in the terms and conditions to the “Counterparty” and the “Swap Agreement” shall only be applicable if the relevant Final Terms indicates that the Company has entered into a Swap Agreement relating to the Notes.

The Notes are constituted and secured by a supplemental trust deed and drawdown agreement dated the Issue Date (the “Supplemental Trust Deed”) and made between the Company, Deutsche Trustee Company Limited (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees for any series (a “Series”) under the Trust Deed (as defined below)), as trustee for the holders of the Notes and, if applicable, Nomura International plc as swap counterparty (the “Counterparty”, which expression shall include any other person so specified), supplemental to an amended and restated master principal trust deed by which the Company is bound (the “Principal Trust Deed”, which expression shall include any amendments or supplements thereto) dated 13 February 2006 and made between the Company, the Trustee, and Nomura International plc. The Principal Trust Deed and the Supplemental Trust Deed are referred to together as the “Trust Deed”. Payments under the Notes will be made (i) pursuant to an amended and restated master agency agreement dated 13 February 2006, as amended from time to time (the “Agency Agreement”), to the extent such agreement applies to the Company, which the Company has entered into with the Trustee, Deutsche Bank AG London as principal paying agent (in such capacity the “Principal Paying Agent”), as authentication agent (in such capacity, the “Authentication Agent”) and as calculation agent unless another financial institution is specified as such in the relevant Supplemental Trust Deed (in such capacity, the “Calculation Agent”), and Deutsche Bank Luxembourg S.A. as paying agent (together with the Principal Paying Agent and any other paying agents appointed, the “Paying Agents”), as transfer agent (in such capacity, the “Transfer Agent”) and as registrar (in such capacity, the “Registrar”) or (ii) pursuant to such other agreement, as amended from time to time, as may be specified in the relevant Supplemental Trust Deed. References in these Conditions (as defined below) to the Principal Paying Agent and the other Agents and to the “Agency Agreement” shall be construed accordingly. All Collateral (as defined in Condition 4(a)) taking the form of securities will be held or caused to be held on behalf of the Company by such custodian pursuant to such agreement (as amended from time to time) as may be specified in the relevant Supplemental Trust Deed and the Conditions. References in these Conditions to the “Custodian” shall be construed accordingly. Statements in these terms and conditions as amended and supplemented by the relevant Supplemental Trust Deed, and as described in the relevant Final Terms (the “Conditions”) are subject to the detailed provisions of the Trust Deed and the Agency Agreement, copies of which are available for inspection at the registered office of the Trustee, being at the date hereof Winchester House, 1 Great Winchester Street, London EC2N 2DB and the specified offices of the Paying Agents. The Trust Deed includes the form of the Notes in bearer and registered form, the interest coupons (if any) relating to Notes in bearer form (the “Coupons”) and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”). Noteholders and Couponholders (each as defined in Condition 1) are entitled to the benefit of, and are deemed to have notice of, all the provisions contained in the Trust Deed and the relevant Final Terms and those applicable to them of the Agency Agreement.

If so specified in the relevant Final Terms, the Company has entered into one or more confirmations (the “Confirmations”) documenting the terms of a swap, option or other over-the-counter transaction relating to the Notes effective on the Issue Date pursuant to an amended and restated 1992 ISDA Master Agreement dated as of 13 February 2006, as amended from time to time, with the Counterparty or such other agreement as may be specified in the Acceptance Deed (such 1992 ISDA Master Agreement or other agreement together with the Confirmations, the “Swap Agreement”).

Full details of the relevant Mortgaged Property (as defined in Condition 4 below) will be set out in the relevant Supplemental Trust Deed for the relevant Series.

Capitalised terms used but not defined in these Conditions or the Principal Trust Deed shall have the meanings or values attributed to them in the relevant Supplemental Trust Deed unless the context otherwise requires or unless otherwise stated.

1 Form, Denomination and Title

The Notes are serially numbered and issued in bearer form (“Bearer Notes”) in the denomination of the Denominations(s) or in registered form (“Registered Notes”) in amounts of the Minimum Denomination or such integral multiples of a stated amount in excess thereof (“Authorised Denominations”) as are specified in the relevant Supplemental Trust Deed. “Minimum Denomination” means in the case of Registered Notes such amount as is specified in the relevant Supplemental Trust Deed provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Directive, the minimum Specified Denomination shall be €50,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes) and in the case of unlisted Notes, the minimum specified denomination shall be €1,000 (or its equivalent in any other currency as at the date of issue of these Notes). All Registered Notes of the same Series shall have the same Authorised Denomination.

So long as the Notes are represented by a temporary Global Note, permanent Global Note or Global Certificate and the relevant clearing system(s) so permit, the Notes shall be tradable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided hereon and integral multiples of the Tradable Amount provided in the Final Terms.

Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached save in the case of Notes which do not bear interest in which case references to interest (other than in relation to interest due after the due date for redemption in respect of overdue amounts of principal) and Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“Individual Certificates”), and, save as provided in Condition 2(c), each Individual Certificate representing a holding of one or more Registered Notes by the same holder.

Title to the Bearer Notes, the Coupons appertaining thereto and Talons shall pass by delivery. Title to the Registered Notes shall pass by assignment and registration in the register (the “Register”) which the Company shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. A copy of the Register showing current holdings of Registered Notes will be available at the registered office of the Company. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Bearer Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and

for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions “Noteholder” means (i) the holder of any definitive Bearer Note or (ii) the person in whose name a Registered Note is registered and “Couponholder” means the holder of any Coupon and “Talonholder” means the holder of any Talon.

The Company, the Trustee and each Paying Agent shall deem and treat each Noteholder, Couponholder and Talonholder as the absolute owner of the relevant Note, Coupon or Talon (whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership or writing thereon) for the purpose of making payments and for all other purposes.

2 Exchanges of Bearer Notes and Transfers of Registered Notes

(a) *Exchange of Bearer Notes*

Subject as provided in Condition 2(f), Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes of an Authorised Denomination at the request in writing of the relevant Noteholder and upon surrender of each Bearer Note to be exchanged, together with all unmatured Coupons and Talons relating to it, at the specified office of the Registrar or any Transfer Agent; provided, however, that where a Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 8(b)(ii)) for any payment of interest, the Coupon and Talon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination.

(b) *Transfer of Registered Notes*

A Registered Note may be transferred in whole or in part in an Authorised Denomination upon the surrender of the Individual Certificate representing such Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a holding of Registered Notes represented by one Individual Certificate, a new Individual Certificate in respect of the balance not transferred will be issued to the transferor. A transfer of Registered Note shall be completed by the recording of the holding of such Registered Notes in the Register. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Company, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) *Exercise of Options or Partial Redemption in respect of Registered Notes*

In the case of an exercise of a Company’s or Noteholder’s option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Individual Certificate, a new Individual Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Individual Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Individual Certificates shall only be issued against surrender of the existing Individual Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of

Registered Notes, a new Individual Certificate representing the enlarged holding shall only be issued against surrender of the Individual Certificate representing the existing holding.

(d) *Delivery of new Individual Certificates*

Each new Individual Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of a duly completed request for exchange or form of transfer or Exercise Notice (as defined in Condition 7(g)) or the surrender of the Certificate for exchange together with satisfaction of any other requirements imposed by these Conditions. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Individual Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Individual Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/ or such insurance as it may specify. In this Condition 2 (d), “business day” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets set the payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) *Exchange free of charge*

Exchange and transfer of Notes or Individual Certificates on registration or transfer or exercise of an option or partial redemption will be effected without charge by or on behalf of the Company, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require) in respect of any tax, duty or other governmental charges which may be imposed in relation to such registration or transfer.

(f) *Closed periods*

No Noteholder may require the transfer of a Registered Note to be registered or a Bearer Note to be exchanged for a Registered Note (i) during the period of 15 days ending on the due date for any payment of principal on that Note, (ii) during the period of 15 days prior to any date on which Notes may be drawn for redemption by the Company at its option pursuant to Condition 7(f), (iii) after any such Note has been drawn for redemption in whole or in part or (iv) during the period of seven days ending on (and including) any Record Date. A Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Individual Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Status

The Notes and the Coupons are secured obligations of the Company and rank and will rank *pari passu* without any preference among themselves. The Notes represent limited recourse obligations of the Company. Noteholders and Couponholders must rely solely upon payments under the Swap Agreement (if any) and/or out of Charged Assets in accordance with (and subject to the priority provisions described in) Condition 4.

4 Security

(a) Security

Unless otherwise specified in the Supplemental Trust Deed, the obligations of the Company to the Trustee and the Noteholders under the Trust Deed and the Notes and (except for (II) below in relation to the obligations of the Company under any Swap Agreement) the Swap Agreement (if any) are secured by the following charges and/or assignments (the “Security”) granted in favour of the Trustee pursuant to the Trust Deed and subject to the provisions of this Condition 4:

- (I)
 - (i) a first fixed charge over, and/or assignment of (A) the assets and/or other property of the Company specified as such in the relevant Supplemental Trust Deed, if any (the “Collateral”); (B) all proceeds of, income from and sums arising from the Collateral; (C) all rights attaching to or relating to the Collateral including without limitation any right to delivery of such securities or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary; and (D) the Securities Account and the Cash Account in respect of the relevant Series and all sums standing to the credit of such Cash Account and the rights of the Company against the Account Bank in respect thereof;
 - (ii) an assignment by way of first fixed charge of the Company’s rights, title and interest under the relevant Supplemental Trust Deed, to the extent that such rights relate to the assets and/or other property referred to in (i) above and a first fixed charge over all sums held by the Custodian to meet payments due in respect of the Notes or under the Swap Agreement (if any);
 - (iii) an assignment by way of first fixed charge of the Company’s rights, title and interest under the Agency Agreement, to the extent that such rights relate to sums held to meet payments due in respect of the Notes and a first fixed charge over all sums held by the Principal Paying Agent to meet payments due in respect of the Notes;
- (II) Subject to any Principal Paying Agent Assignment (as defined below), an assignment by way of first fixed charge over its rights under the Swap Agreement (if any) and all proceeds of and sums arising therefrom.

The assets described in (i), (ii) and (iii) of (I) above are together referred to herein as the “Charged Assets” and the Charged Assets together with the assets referred to in (II) above are together referred to as the “Mortgaged Property”.

If so specified in the relevant Supplemental Trust Deed, with effect from the Issue Date, the Company shall assign to the Principal Paying Agent the benefit of the undertaking given by the Counterparty to the Company to pay to the Principal Paying Agent certain sums due to the Company under the Swap Agreement (the “Principal Paying Agent Assignment”).

Cash flows generated by the Charged Assets and the Swap Agreement (if any) will be utilised by the Company in making payments in respect of the Notes.

If specified in the relevant Supplemental Trust Deed some or all of the Collateral will be held by the Custodian (which expression shall include any additional or other Custodians from time to time appointed) on behalf of the Company subject to the charge referred to above. The Company reserves the right at any time with the prior written approval of the Trustee and the Counterparty (if any) to change the Custodian. Notice of such change shall be given to the Noteholders in accordance with

Condition 13. The Company is not obliged to insure or procure the insurance of the Collateral for any purposes.

(b) Application of Proceeds

The Trust Deed requires that, unless otherwise specified in the relevant Final Terms, the net proceeds of the Security for the Notes, upon realisation thereof after deduction of (i) any taxes required to be paid in connection with the realisation or enforcement of the Security prior to any such application and (ii) any remuneration or costs, charges, expenses and liabilities (including legal fees) incurred by the Trustee or any receiver in effecting the liquidation thereof or executing the trusts under the Trust Deed, be applied as set out below.

If “Counterparty Priority” is specified in the relevant Supplemental Trust Deed and Final Terms to be applicable:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in relation to that Series in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the costs of realising any Security and the Trustee’s remuneration);
- (ii) secondly, in meeting the claims (if any) of the Counterparty under each Swap Agreement (which for this purpose shall include any claim of the Custodian for reimbursement in respect of payments made to the Counterparty relating to sums receivable on the Collateral) in relation to that Series;
- (iii) thirdly, rateably in meeting the claims (if any) of the holders of Notes and Coupons for that Series (which for this purpose shall include any claim of the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to the relevant holders of Notes and Coupons). If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
- (iv) fourthly, in payment of the balance (if any) to the Company

If “Pari Passu Ranking” is specified in the relevant Supplemental Trust Deed:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in relation to that Series in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the costs of realising any Security and the Trustee’s remuneration);
- (ii) secondly, rateably in meeting the claims (if any) in relation to that Series of the Counterparty under each Swap Agreement (which for this purpose shall include any claim of the Custodian for reimbursement in respect of payments made to the Counterparty relating to sums receivable on the Collateral) and the relevant holders of Notes, Coupons and Talons (which for this purpose shall include any claim of the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to holders of Notes, Coupons and Talons). If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
- (iii) thirdly, in payment of the balance (if any) to the Company.

If “Noteholder Priority” is specified in the relevant Supplemental Trust Deed:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the costs of realising any Security and the Trustee's remuneration);
- (ii) secondly, rateably in meeting the claims (if any) of the holders of Notes and Coupons for that Series (which for this purpose shall include any claim of the Principal Paying Agent for reimbursement in respect of payment of principal and interest made to such holders of Notes and Coupons). If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment;
- (iii) thirdly, in meeting the claims (if any) in relation to that Series of the Counterparty under each Swap Agreement (which for this purpose shall include any claim of the Custodian for reimbursement in respect of payments made to the Counterparty relating to sums receivable on the Collateral); and
- (iv) fourthly, in payment of the balance (if any) to the Company.

If "Other Priority" is specified in the relevant Supplemental Trust Deed and Final Terms to be applicable, the Trustee shall apply all moneys received by it under the provisions of the Principal Trust Deed and the relevant Supplemental Trust Deed in connection with the realisation or enforcement of the Security, as set out in the relevant Supplemental Trust Deed and Final Terms.

(c) Swap Agreement(s)

If specified in the Supplemental Trust Deed, the Company will enter into one or more Swap Agreements with the Counterparty under which:-

- (i) the Company will (subject to the terms thereof) make payments to the Counterparty, on receipt by the Company of sums receivable by the Company on the Mortgaged Property; and
- (ii) the Counterparty will make payments towards or equal to the obligations of the Company in respect of amounts due on the Notes,

as specified in the Supplemental Trust Deed.

Each transaction evidenced by a Swap Agreement will terminate on the date specified in the Supplemental Trust Deed, unless terminated earlier in accordance with its terms. Each Swap Agreement will (i) terminate if all the Notes are redeemed prior to their Maturity Date pursuant to any provision of Condition 9 or 7, and (ii) terminate in part on a *pro rata* basis in a proportion of its principal amount equal to the proportion that the principal of the Repayable Assets (as defined in Condition 7(b) below) or the relevant Notes being redeemed bears to the principal amount of the Collateral or the outstanding Notes of the relevant Series if some of the Notes are redeemed or the Notes are redeemed in part prior to their Maturity Date pursuant to any provision of Condition 7. In the event of an early termination of the Swap Agreement, any party to the Swap Agreement may be liable to make a termination payment to any other party in respect of any loss which such other party may have suffered as a result of that termination.

Neither the Company nor the Counterparty is obliged under the Swap Agreement to gross up if withholding taxes are imposed, but the Swap Agreement is terminable in such event. If the Company, on the occasion of the next payment due under the Swap Agreement, would be required by law to withhold or account for tax or would suffer tax in respect of its income such that it would be rendered

unable to make payment of the full amount due, the Company shall so inform the Trustee, and shall use reasonable endeavours to arrange (i) the substitution of a company incorporated in another jurisdiction as the principal obligor under the Notes, the Swap Agreement, the Trust Deed and the other Master Documents or (ii) the transfer of its residence for tax purposes, in each case as approved by the Trustee.

Swap Agreements may provide that the Counterparty may transfer its rights and obligations under a Swap Agreement, as described in the relevant Supplemental Trust Deed, provided that, in relation to Notes that are rated by a rating agency, such transfer shall not adversely affect any existing rating of the Notes of that Series as confirmed in writing by the appropriate rating agency. The Trust Deed provides that, subject as provided therein, the Trustee shall agree to a transfer of the Counterparty's rights and obligations under such Swap Agreement and shall agree to any amendment to such Swap Agreement to allow such transfer in such circumstances.

(d) Realisation of Security

In the event of any of the Security becoming enforceable, the Trustee may at its discretion and:

- (i) if requested in writing by the holders of at least one-fifth in aggregate principal amount of the Notes then outstanding (as defined in the Trust Deed) or
- (ii) if directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or
- (iii) if sums are due to the Counterparty and the Trustee is so directed in writing by the Counterparty,

(whichever shall be the first request or direction to be given) shall enforce the security. To do this it may, at its discretion realise all or some of the Collateral in a proportion equal to the proportion of the principal amount of the Notes which are subject to acceleration or early redemption and/or take action against any person liable in respect of any Repayable Assets to enforce repayment of such Repayable Assets, enforce and/or realise and terminate the Swap Agreement(s) *pro rata* in accordance with its or their terms, and/or take action against the Counterparty, but without any liability as to the consequence of such action and without having regard to the effect of such action on individual Noteholders or Couponholders and provided that the Trustee shall not be required to take any action that would involve any personal liability or expense without first being indemnified to its satisfaction. Notwithstanding the above, where "Counterparty Priority" or "Noteholder Priority" or "Other Priority" is specified, the Trustee will act only at, and in accordance with, the direction of the person or persons ranking in priority immediately after the Trustee.

(e) Shortfall after Application of Proceeds

The Company may not have sufficient funds to make all payments due in respect of the Notes and (if applicable) Coupons.

If the net proceeds of the Security upon realisation thereof in accordance with this Condition 4 and the Trust Deed are not sufficient to make all payments due in respect of the Notes, Coupons (if any) and the Swap Agreement (if any), the obligations of the Company in respect of the Notes, Coupons (if any) and any such Swap Agreement will be limited to such net proceeds and no other assets of the Company (including, in the case of a mandatory partial redemption, the Collateral other than the Repayable Assets, which will remain available to those holders whose Notes have not been redeemed) will be available for any further payments in respect of the Notes, Coupons (if any) or the Swap Agreement (if any). Claims in respect of any difference between the amount of the net proceeds of the Security after

enforcement thereof and the amount which would otherwise have been payable under the Notes, Coupons (if any) and the Swap Agreement (if any) (a “shortfall”) shall be extinguished and failure to make any payment in respect of any such shortfall shall in no circumstances constitute an Event of Default under Condition 9. Any such shortfall shall be borne by the Noteholders, Couponholders and the Counterparty (if any) according to the priorities specified in the relevant Supplemental Trust Deed. In such circumstances neither the Noteholders nor the Counterparty (if any) will have the right to take any further action against the Company in respect of the shortfall.

(f) *Limitation on Enforcement*

If the Notes are declared due and payable under Condition 9 such event will entitle the Trustee to exercise its rights as mortgagee in respect of the assets subject to the Security (including the Swap Agreement (if any)) but such event will not of itself entitle the Trustee to exercise such rights in respect of any other assets of the Company.

(g) *Substitution of Mortgaged Property*

The Noteholders by an Extraordinary Resolution may direct, or the Counterparty may from time to time request the Company to substitute alternative Collateral for such of the Mortgaged Property as the Counterparty certifies in writing to the Trustee and the Company to be appropriate (“Substitute Collateral”), provided that such substitution will not adversely affect the rating assigned to the Notes at the time of substitution. Upon such request by the Counterparty, the Calculation Agent shall determine whether the proposed substitution shall be effective provided that any applicable Substitution Conditions, as defined in the relevant Final Terms, have been satisfied. If the Calculation Agent determines that the proposed substitution shall be effective in accordance with the foregoing, it shall notify the Company and the Company shall be obliged to effect the substitution as soon as practicable thereafter. The Noteholders shall be notified by the Company in accordance with Condition 13 and, if the Notes are listed on any stock exchange, the Company shall also notify such stock exchange of such substitution.

Any such alternative Mortgaged Property shall be held subject to security in favour of the Trustee and the Company shall execute such further documentation as the Trustee may require in order to create such Security as a condition to such substitution and if the Notes are rated, the Company shall notify such rating agency of such substitution.

5 Restrictions

So long as any of the Notes remain outstanding, the Company will not, without the consent of the Trustee, except as provided in Clause 11.11.1 of the Trust Deed, incur any other indebtedness for borrowed moneys, engage in any business (other than the transactions contemplated by Condition 16, the Trust Deed, the Swap Agreement (if any), the other Master Documents to which it is a party and any other agreements relating to the Security of any Series), declare any dividends (except as contemplated by the Trust Deed) or have any subsidiaries. Notwithstanding the foregoing and in addition to the further issues permitted under Condition 16, the Company shall be at liberty from time to time (without the consent of the Noteholders but provided that the Trustee is satisfied that the restrictions of this Condition will be complied with) to issue (i) other securities, bonds, notes and obligations and to incur other indebtedness (whether or not represented by securities) and obligations or enter into other transactions and to enter into related transactions provided that (except as contemplated by the Trust Deed) such other securities, bonds, notes, obligations, or other indebtedness and obligations which do or does not form a single series with the Notes or any other existing securities, bonds, notes, obligations, indebtedness or obligations, are or is secured on assets of the Company

other than the assets on which any other existing obligations of the Company are secured and are or is issued on terms which provide for the extinction of all claims in respect of such further securities, bonds, notes, obligations, indebtedness or obligations after application of the proceeds of the assets on which such further bonds, notes, obligations, indebtedness or obligations are or is secured and (ii) where the Company is neither incorporated or domiciled nor has its principal place of business in Luxembourg, to issue preference shares on such terms as it may choose, subject as provided below, provided that the obligations of the Company in respect of such preference shares are limited in recourse to identified assets of the Company and the preference shares will give no voting rights in the Company, other than those that relate only to that Series of preference shares, and specifically no right to vote at a general meeting and no right to petition to wind up the Company. More than one type or series of obligation or liability of the Company can have recourse to the same identified pool of assets provided that this is contemplated by all those obligations or liabilities at the time of their issue or creation.

6 Interest

(a) *Interest Rate and accrual*

If stated in the Supplemental Trust Deed to bear interest, each Note bears interest on its principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate (which may be a specified rate or rates (a “Fixed Rate”) or may be determined by means of a formula or a series of formulae or may be based on an Index Rate in the manner specified in the Supplemental Trust Deed (a “Floating Rate”)), which may be different for different Interest Accrual Periods, or a combination thereof payable in the Relevant Currency in arrear (unless otherwise stated in the Supplemental Trust Deed) on each Interest Payment Date specified in the Supplemental Trust Deed.

Interest will cease to accrue on each Note on the Interest Cessation Date (as defined below) unless, upon due presentation, payment of the full amount of principal due on such due date for redemption is not made, in which event interest will continue to accrue on the unpaid amount of principal (as well after as before judgment) until the Relevant Date (as defined below) at the Interest Rate determined by the Calculation Agent in the manner provided in this Condition.

(b) *Business Day Conventions*

If any date referred to in these Conditions which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Relevant Business Day, then, if the Business Day Convention specified is (i) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Relevant Business Day and (B) each subsequent such date shall be the last Relevant Business Day of the month in which such date would have fallen had it not been subject to adjustment, (ii) the Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day, (iii) the Modified Following Business Day Convention, such date shall be postponed to the next day which is a Relevant Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Relevant Business Day or (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Relevant Business Day.

(c) *Interest Rate on Floating Rate Notes*

If the Interest Rate is specified as being Floating Rate in the Supplemental Trust Deed, the Interest Rate for each Interest Accrual Period will be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (i) if the Primary Source for the Floating Rate is a Screen Page, subject as provided below, the Interest Rate shall be:
 - (I) the Relevant Rate (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity) or
 - (II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page,

in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date;

- (ii) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph 6(c)(i)(I) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph 6(c)(i)(II) above applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting to major banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;
- (iii) if the Primary Source for the Floating Rate is expressed to be the ISDA Rate, it shall be calculated in accordance with the definition of ISDA Rate set out below;
- (iv) if paragraph 6(c)(ii) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) which the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency which at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Relevant Currency or, if the Relevant Currency is Euro, in Europe as selected by the Calculation Agent (the "Principal Financial Centre") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in such Principal Financial Centre the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum and/or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) *Interest Rate on Zero Coupon Notes*

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

(e) *Margin, Maximum/Minimum Interest Rates and Rounding:*

- (i) If any Margin is specified in the Supplemental Trust Deed (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (x), or the Interest Rates for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with 6(c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Interest Rate is specified in the Supplemental Trust Deed, then any Interest Rate shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures will be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “unit” means, with respect to any currency, the lowest amount of such currency which is available as legal tender in the country of such currency.

(f) *Calculations*

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding principal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period will equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(g) *Determination and Publication of Interest Rates and Interest Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date, the Calculation Agent will determine the Interest Rate and calculate the amount of interest payable (the “Interest Amounts”) in respect of each Denomination of the Notes for the relevant Interest Accrual Period and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Company, the Trustee, the Principal Paying Agent, each of the Paying Agents, the Noteholders, the relevant Dealer (if such Dealer is not the Calculation Agent), any other Calculation Agent appointed in respect of the Notes which is to make a further calculation upon receipt of such information and, for so long as the Notes are listed on a stock exchange and the rules of such stock exchange require, such stock exchange, as soon as possible after their determination but in no event later than (except in the case of notices to the Noteholders) the commencement of the relevant Interest Period, if determined prior to such time. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no notification of the Interest Rate or the Interest

Amount so calculated need be made unless the Trustee otherwise requires. The determination of each Interest Rate, Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Company, the Counterparty and the Noteholders.

(h) *Determination or Calculation by Trustee*

If the Calculation Agent fails at any time for any reason to establish the Interest Rate for an Interest Accrual Period or the Interest Amount or, pursuant to Condition 7(m), any Redemption Amount, Optional Redemption Amount or Early Redemption Amount (each as defined in Condition 6(i) below) or to comply with any other requirement, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(i) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Clearing System” means each of Clearstream Banking, société anonyme, Euroclear Bank S.A./N.V., as operator of the Euroclear System, or such other clearing system specified as the Clearing System for delivery of Collateral in the Supplemental Trust Deed;

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

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting an Interest Period, the “Calculation Period”):

- (a) if “Actual/365” or “Actual/Actual” is specified in the Supplemental Trust Deed, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (b) if “Actual/365 (Fixed)” is specified in the Supplemental Trust Deed, the actual number of days in the Calculation Period divided by 365
- (c) if “Actual/360” is specified in the Supplemental Trust Deed, the actual number of days in the Calculation Period divided by 360
- (d) if “30/360”, “360/360” or “Bond Basis” is specified in the Supplemental Trust Deed, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month))

- (e) if “30E/360” or “Eurobond Basis” is specified in the Supplemental Trust Deed, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period)
- (f) if “Actual/Actual-ISMA” is specified hereon,
 - (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (a) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods in any year; and
 - (b) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year
 where:
 - “Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date and
 - “Determination Date” means any day on which Interest is scheduled to be paid or
- (g) as may otherwise be specified hereon.

“Early Redemption Amount” means in respect of each Note in circumstances where such Notes are redeemed early pursuant to Conditions 7(b) or (c), the amount specified in the relevant Supplemental Trust Deed (which may take account of the *pro rata* share of any termination payment due either from the Company or the Counterparty under the Swap Agreement) or in the absence of such specification, the amount calculated by the Calculation Agent in its sole and absolute discretion, which calculation shall be final and binding upon all parties in the absence of manifest error;

“Effective Date” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the Supplemental Trust Deed or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

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

“Interest Commencement Date” means the date of the issue of the Notes (the “Issue Date”) or such other date as may be specified in the Supplemental Trust Deed.

“Interest Determination Date” means, with respect to an Interest Rate and Interest Accrual Period, the date specified as such in the Supplemental Trust Deed or, if none is so specified, (i) the first day of such Interest Accrual Period if the Relevant Currency is sterling or (ii) the day falling two London

Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is neither sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Relevant Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified in the Supplemental Trust Deed.

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

“ISDA Rate” means, in respect of any Interest Accrual Period, the rate per annum that, in the determination of the Calculation Agent, would be the Floating Rate payable under an interest rate exchange agreement incorporating the ISDA Definitions. “ISDA Definitions” means the 2000 ISDA Definitions, published by the International Swaps and Derivatives Association, Inc., as amended, supplemented or restated from time to time up to the Issue Date.

“London Business Day” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London and are open for general business (including dealing in foreign exchange and foreign currency deposits).

“Optional Redemption Amount” means in respect of each Note in circumstances where such Notes are redeemed early pursuant to Conditions 7(f) or (g), the amount specified in the relevant Supplemental Trust Deed, or in the absence of such specification, its outstanding principal amount.

“Redemption Amount” means in respect of each Note, the amount specified in the relevant Supplemental Trust Deed or in the absence of such specification, its outstanding principal amount.

“Reference Banks” means the institutions specified in the Supplemental Trust Deed or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) which is most closely connected with the Benchmark (which if EURIBOR is the relevant Benchmark, shall be Europe).

“Register” means the register maintained by the Registrar.

“Relevant Business Day” means:

- (a) in the case of a specified currency other than Euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London and the principal financial centre for that currency
- (b) in the case of Euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System (or any successor thereto) (the “TARGET System”) is operating (a “TARGET Business Day”) and/or
- (c) in the case of a specified currency and/or one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the specified currency in the specified financial centre(s) or, if no currency is specified, generally in each of the financial centres so specified.

“Relevant Currency” means the currency specified as such in the Supplemental Trust Deed or, if none is specified, the currency in which the Notes are denominated.

“Relevant Date” means, in respect of any Note or Coupon, the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 13 that, upon further presentation of the Note (or relative Individual Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial centre as may be specified as such in the Supplemental Trust Deed or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of Euro shall be Europe) or, if none is so connected, London.

“Relevant Rate” means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the Supplemental Trust Deed, or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre and for this purpose “local time” means, with respect to Europe as a Relevant Financial Centre, Central European time.

“Representative Amount” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the amount specified in the Supplemental Trust Deed or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuter Monitor Money Rates Service (“Reuters”) and the Bridge Telerate Service (“Telerate”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

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

“Settlement Disruption Event” means an event beyond the control of the Company and the relevant Noteholder as a result of which the Clearing System cannot clear transfers of the Collateral comprising the Collateral Entitlement of such Noteholder.

“Specified Duration” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the Supplemental Trust Deed or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 6(b).

(j) ***Calculation Agent and Reference Banks***

The Company shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and the Company shall procure that there shall at all times be one or more Calculation Agents in either case if provision is made for them in the Conditions applicable to the Notes and for so long as any Notes are outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Calculation Agent will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or to calculate any Interest Amount, the Redemption Amount or any Optional Redemption Amount or Early Redemption Amount or to comply with any other requirements, the Company shall (with the prior written approval of the Trustee) appoint the London office of a leading bank engaged in the London interbank market (or, if appropriate, money, swap or over-the-counter index options market) or other market that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

7 Redemption, Purchase and Options

(a) ***Final Redemption***

Unless previously redeemed, purchased and cancelled as provided below, each Note will be redeemed at its Redemption Amount on the Maturity Date specified on each Note. Notes will only be redeemable or repayable in accordance with the provisions of this Condition 7 or Condition 9.

(b) ***Mandatory Redemption***

If any of the Collateral forming part of the Mortgaged Property becomes repayable or becomes capable of being declared due and repayable prior to its stated date of maturity for whatever reason (unless the Trustee otherwise agrees in writing) or the Notes are Credit-linked Notes and such payment constitutes (or may, with the lapse of time or exercise of an option, constitute) a Credit Event or there is a payment default (regardless of any actual or implied grace period which may be applicable thereto) in respect of any of the Collateral forming part of the Mortgaged Property, all such Collateral together with some or all remaining Collateral, as specified in the Supplemental Trust Deed, forming part of the Mortgaged Property (which may or may not form obligations of the same person as those which have become repayable or in respect of which there has been such a payment default) shall be deemed to have become immediately repayable (the "Repayable Assets"). The Company shall then forthwith give not more than 28 nor less than 7 days' notice to the Trustee and the Noteholders in accordance with Condition 13 and upon expiry of such notice shall redeem each Note in whole or, as the case may be, in part on a *pro rata* basis in a proportion of its Redemption Amount equal to the proportion that the principal amount of the Repayable Assets which are the subject of such notice bears to the principal amount of all the Collateral forming part of the Mortgaged Property at such time. Interest shall continue to accrue on the part of the principal amount of Notes so redeemed until payment thereof has been made to the Trustee and notice is given in accordance with Condition 13 that such amount is available for payment. Failure to make any payment due in respect of a mandatory redemption under

this Condition 7(b) of part of the principal amount of the Notes or interest thereon shall not constitute an Event of Default under Condition 9.

In the event of such redemption and the Security constituted by the Trust Deed becoming enforceable the Trustee may take such action as is provided in Condition 4(d).

(c) *Redemption for taxation and other reasons*

- (i) If the Company, on the occasion of the next payment due in respect of the Notes or Coupons (if any), would be required by applicable law to withhold or account for tax or would suffer tax in respect of its income so that it would be unable to make payment of the full amount due, then the Company shall so inform the Trustee in writing, and shall use reasonable endeavours to arrange the substitution of a company incorporated in another jurisdiction approved beforehand in writing by the Trustee as the principal obligor or to change (to the satisfaction of the Trustee) its residence for taxation purposes to another jurisdiction approved beforehand in writing by the Trustee, provided that, in the case of Notes rated by Moody's, the Company has obtained the prior written confirmation (addressed to the Company and the Trustee) of Moody's that the rating(s) of such Notes will not be adversely affected by such substitution. If the Company satisfies the Trustee that it is unable to arrange such change or substitution before the next payment is due in respect of the Notes, the Company shall forthwith give not more than 28 nor less than 7 days' notice to the Trustee and the Noteholders in accordance with Condition 13, and upon expiry of such notice the Company shall redeem all but not some only of the Notes at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption unless the Trustee certifies to the Company that, in its absolute discretion, it considers that it is in the best interests of the Noteholders that the Notes not be so redeemed or an Extraordinary Resolution of the Noteholders otherwise directs.
- (ii) If (x) the Swap Agreement is terminated in whole for any reason save for a Counterparty Optional Termination (as defined in the Swap Agreement); or (y) the Company satisfies the Trustee that the performance of its obligations under the Notes or that any arrangements made to hedge its position under the Notes have or will become unlawful, illegal, or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, then the Company shall forthwith give not more than 28 nor less than 7 days' notice to the Noteholders and, upon expiry of such notice, shall redeem all but not some only of the Notes at their Early Redemption Amount together with interest (if any) accrued to the date fixed for redemption. Such notice (which shall be irrevocable) shall be given promptly upon the occurrence of either of the above events unless the Trustee certifies to the Company that, in its absolute discretion, it considers that it is in the best interests of the Noteholders that such notice be delayed or not given or an Extraordinary Resolution of the Noteholders otherwise directs.

Notwithstanding the foregoing, if any of the taxes referred to in paragraph 7(c)(i) above arises (i) by reason of any Noteholder's connection with the country of incorporation of the Company otherwise than by reason only of the holding of any Note or receiving or being entitled to any Redemption Amount or interest in respect thereof; or (ii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax, then to the extent it is able to do so, the Company shall deduct such taxes

from the amounts payable to such Noteholder and all other Noteholders shall receive the due amounts payable to them. Any such deduction shall not be an Event of Default under Condition 9.

In the event of such redemption and the security constituted by the Trust Deed becoming enforceable, the Trustee may take such action as is provided in Condition 4(d).

(d) Purchases

If either (i) the Company has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Collateral, for the reduction in the notional amount of any Swap Agreement and for the purchase of the Notes, which transaction will leave the Company with no net liabilities in respect thereof, (ii) the Counterparty is exercising a Counterparty Optional Termination or (iii) the Trustee has otherwise agreed in writing, the Company may purchase Notes in the open market or otherwise at any price subject to and in compliance with any applicable law and stock exchange regulations.

(e) Early Redemption of Zero Coupon Notes

- (i) The Redemption Amount payable in respect of any Note which does not bear interest prior to the Maturity Date, the Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(b) or 7(c) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note.
- (ii) Subject to the provisions of paragraph 7(e)(iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the Supplemental Trust Deed, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the Supplemental Trust Deed.
- (iii) If the Redemption Amount or Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(b) or 7(c) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Redemption Amount or Early Redemption Amount, as the case may be, due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in paragraph 7(e)(ii) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (both before and after judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 6(d).

(f) Redemption at the Option of the Company

If the Supplemental Trust Deed and the relevant Final Terms specifies that the Notes are Callable Notes, the Company may, by giving irrevocable notice to the Noteholders (in accordance with Condition 13) falling within the Company's Option Period redeem, or exercise any Company's option in relation to all or, if so provided, some of such Notes at the Company's Optional Redemption

Amount and on the Optional Redemption Date(s) so provided. Any such redemption of Notes shall be at the Optional Redemption Amount together with interest accrued (if any) to the date fixed for redemption as provided in the Supplemental Trust Deed.

All Notes in respect of which any such notice is given shall be redeemed, or the Company's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption, the notice to Noteholders shall also contain the serial numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Principal Paying Agent may determine and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange requirements and in particular Article 96 and 97 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) where the Company is incorporated, domiciled or has its principal place of business in Luxembourg. So long as the Notes are listed on the Luxembourg Stock Exchange and that exchange so requires the Company shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg a notice specifying the aggregate principal amount of the Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(g) *Redemption at the Option of Noteholders*

If the Supplemental Trust Deed and the relevant Final Terms specifies that the Notes are Puttable Notes, the Company shall, at the option of the holder of any such Note, redeem such Note on the Noteholder's Optional Redemption Date(s) so provided at Noteholders' Optional Redemption Amount (which may, without limitation, be at its outstanding principal amount together with interest accrued (if any) to the date fixed for redemption or be an amount equal to the realisable value of the Relevant Collateral (as defined below) (less any costs and expenses associated with the realisation of such Collateral) on the date of receipt of the relevant option notice or on a date as soon as practicable thereafter, as determined by the Company).

If the Supplemental Trust Deed and the relevant Final Terms for the relevant Series so provides, and, if so, in the circumstances specified therein, the Company's obligation to pay the Noteholder's Optional Redemption Amount and interest accrued to the date of redemption may be satisfied by the Company delivering Collateral forming the Mortgaged Property for that Series. The amount of such Collateral to be delivered (the "Relevant Collateral") shall be the corresponding proportion of all such Collateral (rounded down to the nearest denomination of the Collateral) as the Notes of that Series held by that Noteholder bear to the then outstanding principal amount of the Notes of that Series. Delivery shall be made in the manner set out in the relevant Supplemental Trust Deed.

The relevant Noteholder's rights in respect of the exercise of any option shall be limited to the Relevant Collateral and Condition 3 shall apply accordingly.

To exercise such option or any other Noteholders' option which may be set out in the Supplemental Trust Deed the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or the Registrar or any Transfer Agent (in the case of Registered Notes) at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent within the Noteholders' Option Period specified in the Supplemental Trust Deed. No Note so deposited and option so exercised may be withdrawn without the prior consent of the Company (except that such Note will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the date for its redemption or

the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption moneys is not made or exercise of the option is denied).

(h) Cancellation

All Notes redeemed by the Company, and all Notes purchased by or on behalf of the Company which the Company elects to surrender (together with all unmatured Coupons and unexchanged Talons appertaining thereto) for cancellation, will be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith) and, if cancelled (in the case of purchased Notes), may not be re-issued or resold and the obligations of the Company in respect of any such Notes, Coupons and Talons shall be discharged.

(i) Exchange of Notes

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

(j) Presentation and surrender of Notes

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

(k) Settlement Disruption Events

If there is a Settlement Disruption Event (as defined below) that prevents settlement on the Settlement Date (as defined below), then settlement of the Company’s obligations under Condition 7(g) and (i) shall be on the first succeeding day on which settlement can take place through the Clearing System, unless a Settlement Disruption Event prevents settlement on each day that the Clearing System is (or,

but for the Settlement Disruption Event, would have been) open for business during the period ending 30 calendar days after the original date on which, but for the Settlement Disruption Event settlement would have occurred. If settlement does not occur during such 30 calendar day period, the Company shall use best efforts to deliver the Collateral comprising the aggregate Collateral Entitlement promptly thereafter to a nominee selected by the Trustee.

(l) Credit-linked Notes

If the Supplemental Trust Deed and/or the Final Terms specifies that the Notes are Credit-linked Notes, the amount of principal and interest payable by the Company in respect of such Notes is dependent on whether an event (the “Credit Event”) in respect of a reference entity or reference entities, as the case may be, has occurred.

(m) Determination and Publication of Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts

On the Maturity Date and upon the occurrence of any early or optional redemption where the relevant Redemption Amount, Early Redemption Amount or Optional Redemption Amount is not the principal amount of the Note or on the Maturity Date the Calculation Agent shall make any determination or calculation, calculate the Redemption Amount, Early Redemption Amount or Option Redemption Amount, as the case may be, and cause the same to be notified to the Company, the Trustee, the Principal Paying Agent, each of the Paying Agents, the Noteholders, and, for so long as the Notes are listed on a stock exchange and the rules of such stock exchange require, such stock exchange, as soon as possible after their determination. The determination of each Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

8 Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of payments of principal) or Coupons (in the case of interest), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on or at the option of the holder, by transfer to an account denominated in that currency with a bank in the principal financial centre of the country of that currency (other than the United States) provided that (i) in the case of Euro, the transfer may be to, or the cheque drawn on, a Euro account with a bank in a city in which banks have access to the TARGET System and (ii) in the case of yen, the transfer will be to a non-resident yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan).

(b) Registered Notes

- (i) Payments of principal in respect of Registered Notes will be made against presentation and surrender of the relevant Individual Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 8(b)(ii).
- (ii) Interest on Registered Notes will be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “Record Date”).

Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank in the principal financial centre of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register maintained by the Registrar. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in Condition 8(a), such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.

(c) *Payments subject to law etc.*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Company shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Company, any adverse tax consequence to the Company.

(e) *Appointment of Agents*

The Paying Agents, the Registrar, the Transfer Agents and any Calculation Agent initially appointed by the Company and their respective specified offices are listed below. The Paying Agents, the Registrar, the Transfer Agents and any Calculation Agent act solely as agents of the Company and do not assume any obligation or relationship of agency or trust for or with any holder. The Company reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Paying Agent, the Registrar, any Transfer Agent or any Calculation Agent and to appoint additional or other Paying Agents, Registrar or Transfer Agents or Calculation Agent (if applicable), provided that it will at all times maintain (i) a Principal Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Calculation Agent where the Conditions so require one, (v) a Principal Paying Agent or a Paying Agent and in relation to Registered Notes a Transfer Agent having a specified office in a major European city which, so long as the Notes are listed on the Luxembourg Stock Exchange, shall be Deutsche Bank Luxembourg S.A., (vi) such other agent as may be required by the rules of any stock exchange on which the Notes may be listed and a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Company shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 8(d) above.

Notice of any such change or any change of any specified office will be given promptly to the Noteholders in accordance with Condition 13.

(f) *Unmatured Coupons and Unexchanged Talons*

- (i) Upon the due date for redemption of any Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no coupon shall be delivered in respect of such Talon.
- (iii) Where any Note is presented for redemption without all unmatured Coupons relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Company may require.
- (iv) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note which only bears interest after its Maturity Date or date of redemption shall be payable on redemption of such Note against presentation thereof.

(g) *Talons:*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet).

(h) *Non-Business Days*

If any date for payment in respect of any Note or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "Business Day" means a day which is a Local Business Day and a Payment Business Day.

"Local Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation of any Note or Coupon.

"Payment Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the Payment Business Day Centre or Centres specified in the Supplemental Trust Deed.

9 Events of Default and Enforcement

(a) *Events of Default*

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in principal amount of Notes then outstanding, or if so directed by an Extraordinary Resolution of such holders, shall give notice (subject in each case to being indemnified to its satisfaction) to the Company that such Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Redemption Amount, together with accrued interest (if any) thereon and thereupon an Early Termination Date in respect of the Swap Agreement shall be deemed to have been designated on such

date of notification to the Company and the Security constituted by the Trust Deed shall become enforceable, as provided in the Trust Deed, in any of the following events:

- (i) the Company defaults in the payment of the Redemption Amount, Early Redemption Amount or the Optional Redemption Amount, as the case may be, or defaults for a period of 14 days or more in the payment of any sum other than the Redemption Amount, Early Redemption Amount or the Optional Redemption Amount, as the case may be, due in respect of the Notes or any of them; or
- (ii) The Company defaults in making the Collateral Entitlement due in respect of the Notes or any of them available for delivery for a period of 7 days or more;
- (iii) if the Company fails to perform or observe any of its other obligations under the Notes or the Trust Deed and (unless such failure is, in the opinion of the Trustee, incapable of remedy in which case no such notice as is referred to in this paragraph shall be required) such failure continues for a period of 30 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Company of notice requiring the same to be remedied or
- (iv) if any order shall be made by any competent court or any resolution passed for the winding up or dissolution of the Company save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution or if the Company is subject to any insolvency, bankruptcy, compulsory liquidation, controlled management procedures (*gestion contrôlée*) or suspension of payments (*sursis de paiement*).

(b) Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Company as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes outstanding, and (ii) it shall have been indemnified to its satisfaction,

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders, Couponholders and the Counterparty (if any) and no Noteholder, Couponholder or Counterparty is entitled to proceed against the Company unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so.

For each Series, the Trustee, the Counterparty (if any) and the relevant Noteholders and Couponholders shall have recourse only to the Mortgaged Property in respect of such Series and, the Trustee having realised the same or, in the case of a partial redemption pursuant to Condition 7(b), the Repayable Assets together with a corresponding part of the security, and distributed the net proceeds in accordance with Condition 4, the Trustee, the Counterparty and the Noteholders and Couponholders or anyone acting on behalf of any of them shall not be entitled to take any further steps against the Company to recover any further sum (save for lodging a claim in the liquidation of the Company initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Company) and the right to receive any such sum shall be extinguished. In particular, neither the Trustee, the Counterparty, nor any Noteholder or Couponholder, nor any other party to a Supplemental Trust Deed shall be entitled to petition or take any other step for the winding-up of the

Company, nor shall any of them have any claim in respect of any sum arising in respect of the Mortgaged Property for any other Series.

10 Prescription

Claims against the Company for payment in respect of Notes and Coupons shall be prescribed and become void unless made within ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

11 Agents

In acting under the Agency Agreement and the relevant Supplemental Trust Deed, the agents which are party to the Agency Agreement and the Custodian act solely as agents of the Company unless an Event of Default or Potential Event of Default (as defined in the Trust Deed occurs), when such agents and the Custodian will, if required to do so, act as agents of the Trustee, and will not assume any obligation or relationship of agency or trust to or with the Noteholders or the Couponholders. The Company has agreed in the Trust Deed to perform and observe the obligations imposed upon it under the Agency Agreement and the relevant Supplemental Trust Deed. Such agreements may be amended by the parties thereto with the approval of the Trustee if, in the opinion of the Trustee, the amendment is not materially prejudicial to the interests of the Noteholders. The Company may not, without the consent of the Trustee, replace the Custodian.

12 Replacement of Notes, Coupons and Talons

If a Note, Individual Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and stock exchange regulations, at the specified office of the Principal Paying Agent in London (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Individual Certificates) in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Coupon or Talon is subsequently presented for payment or as the case may be, for exchange for further Coupons, there will be paid to the Company on demand the amount payable by the Company in respect of such Notes, Individual Certificates, Coupons or further Coupons) and otherwise as the Company may require. Mutilated or defaced Individual Certificates, Notes, Coupons or Talons must be surrendered before replacements will be issued.

13 Notices

Notices to holders of Registered Notes will be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

All notices to holders of Bearer Notes and Registered Notes will be published in a daily newspaper with circulation in Europe which, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require, will be a daily newspaper of general circulation in Luxembourg, which is expected to be the *d'Wort* and/or published in electronic form on the website of the Luxembourg Stock Exchange which is currently www.bourse.lu. If in the opinion of the Trustee, any such publication is not practicable, notice shall be validly given if published in another leading English language newspaper with general circulation in Europe. Any such notice to holders of Bearer Notes and Registered Notes shall be

deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

14 Meetings of Noteholders; Modification; Waiver; etc.

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the terms and conditions of the Notes. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting, one or more persons being or representing Noteholders, whatever the principal amount of the Notes so held or represented, except that, *inter alia*, the terms of the Security and certain terms concerning the amount and currency and the postponement of the due dates of payment of the Notes and the Coupons (except where such modification is not materially prejudicial to Noteholders), or the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, may be modified only by resolutions passed at a meeting the quorum at which shall be one or more persons holding or representing two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of Noteholders will be binding on all Noteholders, whether or not they were present at such meeting, and on the holders of Coupons. The Trustee, without consulting the Noteholders or holders of Coupons, may determine that an event which would otherwise be an Event of Default shall not be so treated.

(b) Modification and Waiver

The Trustee may agree (provided that no current rating of any outstanding obligations of the Company would be adversely affected), without the consent of the Noteholders or holders of Coupons, to (i) any modification of any of the provisions of the Trust Deed which is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error, (ii) any modification to the Swap Agreement (if any) if the purpose and the effect of such amendment is either (a) to ensure that the Company's payment obligations thereunder match any amounts receivable by the Company under the Charged Assets or (b) to ensure that the Counterparty's payment obligations thereunder match any amounts payable by the Company in respect of the Notes and (iii) any other modification (except as aforesaid), waiver or authorisation of any breach or proposed breach of any of the provisions of the Trust Deed which, in any such case, is not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders. Any such determination, modification, authorisation or waiver shall be binding on the Noteholders and holders of Coupons, and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter.

(c) Substitution

Subject to such amendment of the Trust Deed and such other conditions as the Trustee may require including the transfer of the Security, but without the consent of the Noteholders or Couponholders, the Trustee may (provided that confirmation is received from each relevant rating agency that no

current rating of any outstanding obligations of the Company would be adversely affected) agree (with the consent of the Counterparty (if any)) to the substitution of any other company in place of the Company as principal debtor under the Trust Deed and the Notes and in place of the Company under any Related Agreement (as defined in the Trust Deed) in respect of any one or more Series. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or Couponholders but with the consent of the Counterparty (if any), to a change of the law governing the Notes, the Coupons, the Talons and/or the Trust Deed and/or any Related Agreement provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders and provided that no current rating of any outstanding obligations of the Company would be adversely affected. The Trustee, the Counterparty (if any) and the Company will use all reasonable efforts to effect a substitution if to do so would be likely to avoid a downgrading or lead to an upgrading of the rating of any other Series provided that such efforts should not result in the Trustee, the Counterparty or the Company incurring irrecoverable costs. Subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or Couponholders, the Trustee may also agree (with the consent of the Counterparty (if any)) to the change of the branch or office of the Counterparty (if any) or the Custodian. Any such substitution may be effected in respect of any one or more Series of Notes.

(d) *Entitlement of the Trustee*

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

(e) *Meetings*

The Trust Deed provides *inter alia* that (a) except where the Conditions specifically state that one meeting of Noteholders of more than one Series will be held, separate meetings of Noteholders of each separate Series will normally be held although the Trustee may from time to time determine that meetings of Noteholders of each separate Series issued by the Company may be held together; (b) a resolution that in the opinion of the Trustee affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the holders of Notes of the Series concerned; (c) a resolution which in the opinion of the Trustee affects the holders of more than one Series of Notes issued by the Company but does not give rise to a conflict of interest between the holders of the other Series of Notes concerned shall be deemed to have been duly passed if passed at a single meeting of the holders of Notes of all the relevant Series provided that for the purposes of determining the votes that a Noteholder is entitled to cast, each Noteholder shall have one vote in respect of each U.S.\$100 principal amount of Notes held, converted, if such Notes are not denominated in U.S.\$, at prevailing exchange rates; (d) a resolution that in the opinion of the Trustee affects the holders of more than one Series of Notes and gives or may give rise to a conflict of interest between the holders of the other Series of Notes concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the holders of the relevant Series of Notes, except where the Conditions specifically state that one meeting of Noteholders of more than one Series will be held; and (e) if the

Company proposes to exchange part of an existing Series of Notes for Notes of a new Series, only the Notes to be exchanged shall be deemed to be Notes of the relevant Series.

(f) *Mortgaged Property*

Except where the Conditions or the Swap Agreement expressly so provide, the Company will not exercise any rights or take any action in its capacity as holder of the Mortgaged Property unless directed to do so by the Trustee or by an Extraordinary Resolution of the Noteholders, in each case after prior consultation with the Counterparty (if any), and, if such exercise or action is in the reasonable opinion of the Counterparty (if any) likely to affect the value of the Mortgaged Property or the Notes, it shall not be done without the prior written consent of the Counterparty (if any). If such direction is given, the Company will act only in accordance with such directions.

15 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Collateral, for the validity, sufficiency and enforceability (which the Trustee has not investigated) of the Security. The Trustee is not obliged to take any action under the Trust Deed unless indemnified to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with the Company, any issuer or guarantor (where applicable) of any of the Collateral, the Counterparty or any of their subsidiary, holding or associated companies without accounting to the Noteholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value of the Collateral, from any obligation to insure or to procure the insuring of the Collateral and from any claim arising from the fact that the Collateral will be held in safe custody by the Custodian or any custodian selected by the Trustee (in each case, if applicable). The Trustee is not responsible for supervising the performance by any other person of its obligations to the Company.

16 Further Issues

Subject to Condition 5 and the provisions of the Trust Deed, the Company may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects or in all respects except for the Issue Date, the Issue Price and/or the Interest Commencement Date and so that such further issue shall be consolidated and form a single Series with the notes of any Series (including the Notes); provided that, unless otherwise approved by an Extraordinary Resolution of Noteholders, the Company provides additional assets as security for such further notes of the same proportionate composition as those forming part of the Mortgaged Property for the Notes and in the same proportion to the existing Collateral that the principal amount of such new notes bears to the Notes and the Company enters into, or has the benefit of, additional or supplemental Swap Agreements extending the terms of any existing Swap Agreement to the new Notes on terms no less favourable than such existing documents and agreements. In addition, the Company may create and issue further securities upon such terms as the Company may determine at the time of their issue. The total aggregate principal amount of Notes outstanding at any time issued by the Company shall not exceed the Programme Limit applicable to the Company (or its equivalent in any other currency or currencies at spot rates at the time of issue of such further securities). References in these Conditions to the Notes and to Mortgaged Property include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with the Notes and the assets securing such securities respectively.

Where such further Notes are issued by the Company that has issued Series of Notes rated by Moody's and such rated Notes are outstanding, prior to the issue of such further Notes, the Company will obtain from Moody's confirmation in writing addressed to the Trustee and the Company, that all outstanding series of Notes issued by the Company which are rated by Moody's are not adversely affected by such further issue of Notes.

17 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 Company or the Registrar or any Transfer Agent or any Paying Agent is required by applicable law to make any such payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event the Company or such Paying Agent, Registrar or Transfer 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 Company nor any Paying Agent, Registrar or Transfer Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction.

18 Contracts (Rights of Third Parties) Act 1999

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

19 Governing Law

The Notes, Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of England. The Company has in the Trust Deed submitted to the jurisdiction of the English courts for all purposes in connection with the Notes, the Coupons and the Talons. The Company has irrevocably appointed Hackwood Secretaries Limited at One Silk Street, London EC2Y 8HQ as its agent in England to receive service of process in any proceedings in England based on any of the Notes or the Coupons. If the Company is incorporated, domiciled or has its principal place of business in Luxembourg, the provisions of Articles 86 to 94-8 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) are hereby excluded.

APHEX S.A.

General

The Company has been incorporated as a special purpose vehicle for an unlimited duration under the laws of the Grand Duchy of Luxembourg on 27 February 2002 as a “société anonyme”. It is registered with the Luxembourg Register of Commerce and Companies under number B-86,218. The registered office of the Company is located at 7, Val Ste-Croix, L-1371 Luxembourg. The Company can be contacted by telephone at +352 22 11 90. The authorised and issued share capital of the Company is set at €31,000 divided into 31 ordinary shares with a par value of €1,000 each (all of which have been issued and fully paid up). The Articles of Incorporation of the Company were published in the Mémorial, Journal Officiel du Grand-Duché de Luxembourg, Recueil des Sociétés et Associations on 19 March 2002. 15 shares issued by the Company are held by Breeze Securities S.A. and 16 shares issued by the Company are held by Camelott Finance S.A., in each case of 325 Waterfront Drive, Omar Hodge Building, Wickham’s Cay, Road Town, Tortola, British Virgin Islands. All the issued shares of Breeze Securities S.A. and Camelott Finance S.A. are held by Microsiga Systems S.A. of 325 Waterfront Drive, Omar Hodge Building, Wickham’s Cay, Road Town, Tortola, British Virgin Islands, as trustee (the “Trustee”) under the terms of the Declaration of Trust dated 1 March 2002 (the “Declaration of Trust”) under which the Trustee holds the shares on trust for one or more Qualified Charities within the meaning of the Declaration of Trust. The Trustee has no beneficial interest in and derives no benefit other than its fees for acting as trustee from holding the shares.

The Company’s losses for the financial year ended 29 February 2004 were greater than 50% of its subscribed capital. In accordance with Luxembourg law, in such circumstances a company must decide whether or not to continue its activities. During the extraordinary meeting of shareholders held on 13 April 2005, the Company decided to continue its activities.

The Company’s losses for the financial year ended 28 February 2005 were greater than 50% of its subscribed capital. In accordance with Luxembourg law, in such circumstances a company must decide whether or not to continue its activities. During the extraordinary meeting of shareholders held on 27 June 2005, the Company decided to continue its activities.

Business

The corporate object of the Company (as set out in Article 3 of its articles of incorporation) is the acquisition by purchase, subscription or in other manner as well as the transfer by sale, exchange or otherwise of stock, bonds, debentures, notes or any other securities of any kind and contracts thereon or relating hereto; and the ownership, administration, development, and management of its portfolio holdings.

It may in particular:

- (i) acquire by way of subscription, purchase, exchange or in any other manner stock, shares and other participation securities, bonds, debentures, notes, certificates of deposit and other debt instruments and more generally, any debt securities and financial instruments representing ownership rights, claims or transferable securities issued by any public or private issuer whatsoever;
- (ii) exercise all rights whatsoever attached to these securities and financial instruments;
- (iii) grant security interest over its assets;
- (iv) make deposits at banks or with other depositaries; and

- (v) raise funds, issue bonds and notes, in order to carry out its activity within the frame of its corporate object.

The above enumeration is enunciate and is not limitative.

The Company may carry out any transactions, whether commercial or financial which are directly or indirectly connected with this corporate object excluding any banking activity.

In general, the Company may carry out any operation which it may deem useful or necessary in the accomplishment and the development of its corporate purpose.

Under the terms of the Principal Trust Deed, the Company will not undertake any business other than the issue of Notes and other securities and to incur other indebtedness and obligations and enter into related transactions as contemplated in Condition 5 and the entry into and performance of transactions in accordance with the Principal Trust Deed, the Swap Agreement and any related agreements and will not (except as contemplated by the Principal Trust Deed) declare any dividends in respect of its Ordinary Shares without the consent of the Trustee.

The Company has, and will have, no assets other than its rights over the Charged Assets and its rights under any Swap Agreement and any other cash and securities held by it pursuant to transactions in accordance with such agreements or permitted by the Trustee in accordance with Condition 5 of the Notes, any assets on which any further Notes issued as part of the Series of Notes are secured and the sum of €31,000 representing the Company's issued and paid-up share capital.

The only assets of the Company available to meet the claims of the holders of the Notes will be the assets which comprise the security for the Notes, as described under Condition 4 of the Notes.

The Notes are obligations of the Company alone and not of the Administrator (as defined below), the Trustee, the Counterparty or the Custodian.

There is no intention to accumulate surpluses in the Company.

Directors

The Company will be managed by a board of directors composed of three directors in accordance with the Luxembourg law of 10 August 1915 on commercial companies, as amended, and in accordance with the Articles of Incorporation of the Company.

As at the date of this Base Prospectus, the three Directors of the Company are as follows:

Name	Principal Occupation
Alexis Kamarowsky	Company Director
Federigo Cannizzaro di Belmontino	Company Director
Jean-Marc Debaty	Company Director

The business address of each of the Directors is 7, Val Ste-Croix, L-1371 Luxembourg.

There are no conflicts of interest between any duties to the Company of the persons above and other duties or private interests of these persons.

The domiciliary agent of the Company is Luxembourg International Consulting S.A. of 7 Val Ste-Croix, L-1371 Luxembourg. Its duties include the provision of certain administrative and related services. The

appointment of the domiciliary agent may be terminated and the domiciliary agent may retire upon 30 days' notice and subject to the appointment of an alternative domiciliary agent.

Financial Statements

Audited annual accounts of the Company for the financial years ended 28 February 2003 and 29 February 2004 (as approved by the shareholders in the annual general meeting held on 27 June 2005), and 28 February 2005 (as approved by the shareholders in the annual general meeting held on 10 January 2006), together with the audit reports thereon have been published and filed with the CSSF.

Auditors

The statutory auditors of the Company and for the audited annual accounts of the Company for the financial years ended 28 February 2003, 29 February 2004 and 28 February 2005 are Deloitte S.A., 560 rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg who are members of the Institut des Réviseurs d'Entreprises.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

Series of Bearer Notes with a maturity of more than 365 days will initially be represented by a Temporary Global Note, unless the relevant Final Terms specifies otherwise, and each Series of Bearer Notes with a maturity of 365 days or less will initially be represented by a Permanent Global Note, unless the relevant Final Terms specifies otherwise, each in bearer form without Coupons, which will be deposited on behalf of the subscribers of the relevant Notes (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg with a common depositary (the “Common Depositary”) for Euroclear and for Clearstream, Luxembourg on or about the issue date of the relevant Notes or (b) in the case of a Series intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg or delivered outside a clearing system as agreed between the Company, the Principal Paying Agent and the relevant Dealer(s). No interest will be payable in respect of a Temporary Global Note, except as provided below.

Upon the initial deposit of Temporary or Permanent Global Note(s) with the Common Depositary or registration of Registered Notes in the name of any nominee for Euroclear or Clearstream, Luxembourg and delivery of the Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will be obliged to credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

The Temporary Global Note and the Permanent Global Note contain provisions which apply to the Bearer Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus.

Each Series of Notes in registered form may be represented (i) by one or more Global Certificates in registered form without Coupons, deposited on the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee for Euroclear and Clearstream, Luxembourg or (ii) by Individual Certificates, as specified in the relevant Final Terms.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (an “Alternative Clearing System”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be) for his share of each payment made by the Company to the bearer of such Global Note or the holder of such Global Certificate, as the case may be, and in relation to all other rights arising under the Global Note or Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Company in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Company will be discharged for payment to the bearer of such Global Note or the holder of such Global Certificate, as the case may be, in respect of each amount so paid.

3 Exchange

Temporary Global Notes and Permanent Global Notes

Each Temporary Global Note will be exchangeable in whole or in part for interests in a Permanent Global Note or, if so provided in a Temporary Global Note, for Definitive Notes (at the cost and expense of the Company) after the date falling 40 days after the issue date of the Notes upon certification as to non-U.S. beneficial ownership in the form scheduled to the Trust Deed, in the case of Definitive Bearer Notes, or on or promptly after the issue date, in the case of Individual Certificates. Each Permanent Global Note will be exchangeable at the cost and expense of the Company (i) at the option of the holder and/or the Company if so provided in the Final Terms, (ii) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, or (iii) if the Company would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of applicable law which would not be suffered were the Notes in definitive form and a certificate to such effect signed by two authorised officers of the Company is delivered to the Principal Paying Agent for display to Noteholders. The holder in the case of (i) or the Company in the case of (i), (ii) and (iii), may exchange the Permanent Global Note in whole for Definitive Notes by such holder giving notice to the Principal Paying Agent, or by the Company giving notice to the Principal Paying Agent and the Noteholders of its intention to exchange such Permanent Global Note for Definitive Notes on or after the Exchange Date (as defined below) specified in the notice.

On or after the Exchange Date the holder of a Permanent Global Note may surrender such Permanent Global Note, or in the case of a partial exchange, present it for endorsement to or to the order of the Principal Paying Agent. In exchange for the Permanent Global Note, or the part thereof to be exchanged, the Company will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Bearer Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note).

In the event that the permanent Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denominations only. Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

Global Certificates

Each Global Certificate will be exchangeable on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes and Global Certificates”, in part for Individual Certificates:

- (i) by the Company giving notice to the Noteholders, the Registrar, the Principal Paying Agent and the Trustee of its intention to effect such exchange;
- (ii) if the relevant Final Terms provides that such Global Certificate is exchangeable at the request of the holder, by the holder giving notice to the Registrar and the Principal Paying Agent of its election for such exchange; and
- (iii) otherwise, if the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In such circumstances, the relevant Global Certificate shall be exchanged for Individual Certificates and the Company will, free of charge against such indemnity as the Registrar, the Principal Paying Agent or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange, cause sufficient Individual Certificates to be executed and delivered to the Principal Paying Agent or the Registrar for completion, authentication and dispatch to the relevant Noteholders. The relevant Noteholder must provide the Principal Paying Agent or the Registrar with (i) a written order containing instructions and such other information as the Company and the Principal Paying Agent or the Registrar may require to complete, execute and deliver such Individual Certificates.

“Exchange Date” means, in relation to a Temporary Global Note, a day falling after the expiry of 40 days after its issue date, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days and in relation to a Global Certificate, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent or, as the case may be, the Registrar is located and in the city in which the relevant clearing system is located.

In the event that a Global Certificate is exchanged for Individual Certificates, such Individual Certificates shall be issued in Specified Denomination(s) only. Noteholders who hold Notes in the relevant Clearing System in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

Delivery of Definitive Bearer Notes and Individual Certificates

On or after any due date for exchange (a) the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Principal Paying Agent and (b) the holder of any Global Certificate may, in the case of exchange in full, surrender such Global Certificate. In exchange for any Global Note or Global Certificate, or the part thereof to be exchanged, the Company will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note or a Global Certificate exchangeable for Definitive Bearer Notes or Individual Certificates, as the case may be, procure the delivery of the relevant Definitive Bearer Notes or Individual Certificates. Definitive Bearer Notes will be security printed and Individual Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the Company will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Bearer Notes and/or Individual Certificates.

Legend

Each Temporary Global Note, Permanent Global Note and any Bearer Note and Coupon with an initial maturity of 365 days or more, the issue of which is subject to the D Rules will bear the following legend:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

The sections of the U.S. Internal Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment

with respect to any gain realised on any sale, exchange or redemption of Bearer Notes or any related Coupons.

4 Partial Exchange of Permanent Global Notes and Global Certificates

For so long as a Permanent Global Note or Global Certificate is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note or Global Certificate is obliged to be exchangeable in part on one or more occasions (1) in the case of a Permanent Global Note, for Individual Certificates if the Permanent Global Note is exchangeable for Registered Notes and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Bearer Notes or Individual Certificates, as the case may be, if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms).

5 Presentation and surrender of Notes

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

6 Payments

No payment falling due more than 40 days after the issue date will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Bearer Notes or Individual Certificates is improperly withheld or refused. Payments on any Temporary Global Note during the period up to 40 days after its issue date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form scheduled to the Trust Deed. All payments in respect of Bearer Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bearer Notes, surrender of that Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Bearer Notes.

7 Notices

So long as any Notes are represented by a Temporary or Permanent Global Note or a Global Certificate, as the case may be, and such Global Note or the Notes represented by the Global Certificate is held on behalf of a clearing system, notices to holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery to the relevant holder of the Global Note or the Notes represented

by the Global Certificate, as the case may be, except that so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *d'Wort*) and/or published in electronic form on the website of the Luxembourg Stock Exchange which is currently www.bourse.lu. The notice given through a clearing system shall be deemed to be given to the Noteholders on the day such notice is received by the clearing system. Any notice delivered to Euroclear and/or Clearstream, Luxembourg or other clearing system (if any) as aforesaid shall be deemed to have been given on the day on which it is delivered to the Common Depositary.

8 Prescription Period

Claims against the Company in respect of payments on the Bearer Notes while the Bearer Notes are represented by a Global Note will become void unless presented for payment within a period of 10 years (in the case of principal and premium) and five years (in the case of interest) from the appropriate Relevant Date.

9 Meetings

The holder of a Global Note or of the Notes represented by a Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as holding or representing such principal amount of Notes of the Series in respect of which the holder exercises votes (up to the maximum of the principal amount of the Series then represented thereby).

10 Purchase and Cancellation

Cancellation of any Note required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the relevant Global Note or, in the case of Registered Notes, by an appropriate entry in the Register.

11 Company Option

No drawing of Bearer Notes will be required under Condition 7(f) if the Company exercises any option relating to those Bearer Notes while all such Notes which are outstanding are represented by a Global Note. If any option of the Company is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system through which interests in the relevant Global Note or Global Certificate are held will be governed by the standard procedures of such clearing system.

12 Noteholders' Option

Any Noteholders' option may be exercised by the holder of any Global Note or Global Certificate giving notice to the Principal Paying Agent or the Registrar, as the case may be, of the principal amount of Notes in respect of which the option is exercised and presenting such Global Note or Global Certificate for endorsement of exercise or (in the case of a Global Certificate) cancellation and reissue within the time limits specified in the Conditions.

13 Tradable Amounts

So long as the Notes are represented by a Temporary Global Note, Permanent Global Note or Global Certificate and the relevant clearing system(s) so permit, the Notes shall be tradable only in principal amounts

of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and integral multiples of the Tradable Amount specified in the relevant Final Terms.

FORM OF FINAL TERMS

Final Terms dated [●]

Aphex S.A., société anonyme

Registered office: 7, Val Ste-Croix,
L-1371 Luxembourg

(a société anonyme incorporated with limited liability in Luxembourg and registered with the Luxembourg Register of Commerce and Companies under the number B86, 218)

[Title of relevant Tranche of Notes (specifying type and nominal amount of Notes) (the “Notes”)]
issued pursuant to the
U.S.\$15,000,000,000 Master Programme for the issue of Notes
arranged by
Nomura International plc

PART A

CONTRACTUAL TERMS, LISTING AND RATING

[[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the supplemental Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Company and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus [and the supplemental Base Prospectus] [is] [are] available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].] – to be completed]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Base Prospectus dated [original date] [and the supplemental Base Prospectus dated [●]]. This document constitutes Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the prospectus dated [current date] [and the supplemental Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the supplemental Base Prospectus dated [●]] and are attached hereto. Full information on the Company and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and [current date] [and the supplemental Base Prospectuses dated [●] and [●]]. [The Base Prospectuses [and the supplemental Base Prospectuses] are available for viewing at [address] [and] [website] and copies may be obtained free of charge from [address].] to be completed]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing these Final Terms.]

[When completing these Final Terms or adding any other Final Terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

(A) The terms of the Notes are as follows:

1	Company:	Aphex S.A.
2	[(i)] Series No:	[●] - [●]
	[(ii)] Tranche Number:	[[●]]
	(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)	
3	Denomination(s):	[●]
4	Relevant Currency (or Currencies in the case of Dual Currency Notes):	[●]
5	Principal Amount of:	
	[(i)] Series:	[●]
	[(ii)] Tranche:]	[[●]]
6	Issue Date:	[●]
7	Issue Price:	[●] per cent.
8	Net Proceeds:	[●]
9	Maturity Date:	[●], [, subject to adjustment in accordance with the Business Day Convention]
10	Form of Notes:	[Bearer/Registered]
11	Interest Basis:	[Fixed Rate/Floating Rate/Zero Coupon]
12	Interest Commencement Date:	[●]
13	Interest Cessation Date:	[Specify Maturity Date/other]
14	Redemption Amount:	[Principal Amount/Specify other]
15	Early Redemption Amount:	[Principal Amount/specify other early redemption amount]
16	Interest Rate (including after Maturity Date):	[[●] per cent. per annum/Floating Rate/Zero Coupon/[other]]
17	Interest Payment Date(s):	[●]
	and/or	
	Floating Interest Payment Dates:	[●] [subject to the Business Day Convention]
18	Interest Amount (Fixed Rate Notes):	[Specify amount of interest due in respect of each Denomination on each Interest Payment Date]
19	Broken Amount (Fixed Rate Notes):	[Specify amount of interest due in respect of each Denomination for initial/final period(s)]
20	Primary Source for Floating Rate (Floating Rate Notes):	[Specify relevant screen page (e.g. Telerate/Reuters) or “Reference Banks” or

		“ISDA Rate”]
21	Benchmark (Floating Rate Notes):	[LIBOR, LIMEAN, LIBID etc.]
22	Reference banks (Floating Rate Notes):	[Specify four]
23	Representative Amount:	[●]
24	Specified Duration:	[●]
25	Relevant Financial Centre (Floating Rate Notes):	[●]
26	Relevant Time (if applicable):	[●]
27	Margin (Floating Rate Notes):	[+/-] [●] per cent. per annum
28	ISDA Rate (if applicable)	
	(i) Floating Rate Option:	[●]
	(ii) Designated Maturity:	[●]
	(iii) Reset Dates:	[●]
29	Interest Determination Date (if applicable):	[[●] Business Days in [specify city] prior to][the first day in each Interest Period/each Interest Payment Date]
30	Reset Date:	[●]
31	Interest Bearing Amount:	[Principal Amount/other]
32	Interest Period Date(s) (if applicable):	[Interest Payment Dates/other]
33	Minimum Interest Rate (if applicable):	[●] per cent. per annum
34	Maximum Interest Rate (if applicable):	[●] per cent. per annum
35	Reference Price (Zero Coupon Notes):	[●]
36	Amortisation Yield (Zero Coupon Notes):	[●]
37	Business Day Convention:	[Preceding/Following/Modified Following/Floating Rate] Business Day Convention]
38	Relevant Business Day:	[●]
39	Day Count Fraction:	[Actual/365, Actual/Actual, Actual/Actual-ISMA, Actual/365 (Fixed), Actual/360, 30/360, 360/360, Bond Basis, 30E/360, Eurobond Basis]
40	Terms of redemption at the option of the Company or other Company’s option (if applicable):	[●][including whether redeemable in part or in whole only - see Condition 7(f)]
41	Company’s Option Period:	[●]
42	Company’s Optional Redemption Amount:	[●]
43	Terms of redemption at the option of the Noteholders or other Noteholders’ Option (if applicable):	[●] [including whether redemption may be satisfied by the Company delivering the Collateral and whether option available to all Noteholders or to any Dealer - see Condition

		7(f)]
44	Noteholders' Option Period:	[●]
45	Noteholders' Optional Redemption Amount:	[●]
46	Redemption for Taxation Reasons permitted on days other than Interest Payment Dates:	[Yes/No]
47	Unmatured Coupons to become void upon early redemption:	Yes
48	Credit-linked Notes:	[Yes/No]
49	Exchangeable Notes:	[Yes/No]
50	Exchange Event (if applicable):	[●]
51	Clearing System (if applicable):	[●]
52	Settlement Date (if applicable):	[●]
53	Collateral Entitlement (if applicable):	[●]
54	Calculation Agent:	[●] pursuant to [Agency Agreement]/[Other]]
55	Permanent Global Note without the TEFRA legend:	[●]
56	Exchange for Definitive Notes at the request of the holder at the expense of:	[●]
57	Payment Business Day Centre (Condition 8(g)):	[●]
58	Exchange:	
	(a) Notes to be represented on issue by:	[Temporary Global Note/Permanent Global Note/Global Certificate/Individual Certificate]
	(b) Applicable TEFRA exemption:	[C Rules/D Rules/not applicable]
	(c) Temporary Global Note exchangeable for Permanent Global/Definitive Bearer/Registered Notes:	[Yes/No, if Yes specify Permanent Global/Bearer/Registered and circumstances of exchange]
	(d) Permanent Global Note exchangeable for Definitive Bearer/Registered Notes:	[Yes/No, if Yes specify Bearer/Registered and circumstances of exchange]
	(specify only if different from "Summary of Provisions relating to Notes while in Global Form")	
59	Mortgaged Property:	
	(a) Collateral:	[Give brief description of assets being secured:]
		[if Collateral is in form of Securities, type, pool size, legal jurisdiction, amount of Securities, name of issuer, country of incorporation, exchange on which Collateral are listed, maturity, any guarantor, ISIN (or

other such security identification code), and indication where information about the past and further performance of the Collateral and its volatility can be obtained. (N.B. If listed notes and Collateral not listed or guaranteed by listed entity, attach full terms and conditions of Collateral to the Final Terms; additional information may also be required and the Stock Exchange should be consulted at an early stage.]

[If Collateral is in form of loan, give details and indicate whether notice of assignment/transfer/novation or similar is required.] [If applicable, give details of any call or put options, or early redemption in respect of the Collateral.]

[If Collateral does not fall within the categories specified above, please provide equivalent information.]

(b) Substitution of Mortgaged Property:

[If applicable, give details of any rights to substitute the assets and a description of the manner in which and the type of assets which may be substituted and details if there is any capacity to substitute assets with a different class or quality of assets along with a description of the impact of such substitution.]

(c) Swap Agreement (if applicable):

[Give date, termination date and nature of agreement and any other relevant items]

(d) Swap Counterparty:

[Give name(s) and address(es) of institutions]

(e) Principal Paying Agent Assignment (if applicable):

[Give details]

(f) Security (order of priorities):

The Trustee shall apply all moneys received by it under the Trust Deed in connection with the realisation or enforcement of the security constituted by or pursuant to the Trust Deed:

[Counterparty Priority, Noteholder Priority/ Pari Passu Ranking/Other Priority]

60 Derivative securities:

[Not applicable/If applicable, please provide the following information:]

Place where information relating to the past and the further performance of the underlying and its volatility:

[●]

Name of the issuer of the underlying security:

[●]

	ISIN Code:	[●]
	Name of the [Index]/[Indices]:	[●]
	Source of information relating to the [Index]/[Indices]:	[●]
	Place where information relating to the [Index]/[Indices] can be obtained:	[●]
	Underlying interest rate:	[●]
	[Where the underlying does not fall within the categories specified above, please provide equivalent information:]	[●]
	Relevant weightings of each underlying in the basket:	[●]
	Adjustment rules with relation to events concerning the underlying:	[●]
	Post-Issuance information:	[●]
61	Details of any other additions or variations to the Conditions:	[●] [rounding]

DISTRIBUTION:

62	Details of the Stabilising Manager(s) (if applicable):	[●]
63	Details of any additions or variations to the selling restrictions:	[●]
64	Details of any additions or variations to the Dealer Agreement:	[●]
65	Method of Issue:	[Individual Dealer/Syndicated Issue]
66	Dealers' commission (if applicable):	[●]
67	Net Price payable to the Company (Syndicated Issue):	[●]
68	Members of syndicate (Syndicated Issue):	[specify]

[The following sections are customarily required for listed issues]

Use of Proceeds

The net proceeds of the issue will amount to [Insert amount] and will be used by the Company [to purchase the Collateral [after making payments to the Counterparty under the Swap Agreement] and in meeting certain expenses and fees payable in connection with the operations of the Company and the issue of the Notes].

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the Final Terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$15,000,000,000 Master Programme for the issue of Notes by the Company.

RESPONSIBILITY

The Company accepts responsibility for the information contained in these Final Terms. [[•] has been extracted from [•]. The Company confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced inaccurate or misleading.]

These Final Terms are hereby executed by or on behalf of the Company

APHEX S.A.

By:


..... **A. Kamarowsky**
Director
Authorised Signatory


J.-M. Debaty
Director

PART B
OTHER INFORMATION

1 LISTING

- (i) Listing: [Regulated Market of Luxembourg Stock Exchange /No]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●].]
[Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [●].

2 RATINGS

- The Notes to be issued have been rated:
- Ratings: [Moody's: [●]]
[[Other]: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Master Programme generally or, where the issue has been specifically rated, that rating.)*

3 RISK FACTORS

[Include any product specific risk factors which are not covered under "Risk Factors" in the Base Prospectus.]

4 [NOTIFICATION]

The [Commission de Surveillance du Secteur Financier], which is the Luxembourg competent authority for the purpose of the Prospectus Directive, [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Master Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive[.]

5 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

"Save as discussed in ["Subscription and Sale" in the Base Prospectus], so far as the Company is aware, no person involved in the offer of the Notes has an interest material to the offer".]

6 [REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: [specify]
(See "Use of Proceeds and Expenses" wording in Base Prospectus.)]
- [(ii)] Estimated net proceeds: [●]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
- [(iii)] Estimated total expenses: [●] [Include breakdown of expenses]
(Only necessary to include disclosure of net

proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.])

7 [Fixed Rate Notes only – YIELD

Indication of yield:

[●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

8 OPERATIONAL INFORMATION

ISIN Code:

[●]

Common Code:

[●]

CUSIP Number:

[●]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme and the relevant identification number(s):

[Not Applicable/give name(s) and number(s)]

Delivery:

Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):

[Specify]

9 GENERAL

The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of USD/[●] [●], producing a sum of (for Notes not denominated in U.S. dollars):

[Not Applicable/U.S.\$[●]]

Tradable Amount:

[●]

TAXATION

General

Prospective Noteholders should consult their own professional advisers on the implications of making an investment in, holding or disposing of the Notes and the receipt of interest with respect to such Notes (if any) under the laws of the countries in which they may be liable to taxation.

Luxembourg Taxation

The following discussion is a summary of Luxembourg tax consequences to Luxembourg resident and non-resident Noteholders. This discussion is based on current law and is for general information only, without purporting to be a comprehensive description of all possible tax consequences that may be relevant to the Noteholders.

Withholding Tax

Luxembourg non-residents

There is no withholding tax for Luxembourg non-resident Noteholders on payments of principal or interest, or on accrued but unpaid interest, nor is any Luxembourg withholding tax payable on payments received upon redemption, repurchase or exchange of the Notes.

However, a withholding tax on payments to individual Noteholders resident in another EU country than Luxembourg or resident in certain dependant territories is required to be made since July 1, 2005 by Luxembourg paying agents pursuant to European Council Directive 2003/48/EC on the taxation of savings income (the “**Directive**”).

Under the Directive, Member States are required since July 1, 2005 to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a paying agent (within the meaning of the Directive) to (or under certain circumstances, to the benefit of) an individual resident in another Member State or resident in certain dependant territories, except that Austria, Belgium and Luxembourg are instead required to impose a withholding system for a transitional period unless the beneficiary of the interest payments elects for the exchange of information. The withholding tax rate is initially 15%, increasing steadily to 20% and to 35%. The ending of such transitional period depends on the conclusion of certain other agreements relating to information exchange with certain other countries.

The Directive has been implemented in Luxembourg by the Luxembourg laws dated June 21, 2005.

Luxembourg residents

A 10% withholding tax has been introduced, as from 1 January, 2006 on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents. Only interest accrued after 1 July, 2005 falls within the scope of this withholding tax. Income (other than interest) from investment funds and from current accounts provided that the interest rate is not higher than 0,75% are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempted from the withholding tax.

Taxes on Income and Capital Gains

Noteholders will not become resident, or deemed to be resident, domiciled or carrying on business in Luxembourg by reason only of the holding, execution, performance, delivery, exchanged and/or enforcement of the Notes.

Noteholders who are non-resident of Luxembourg and who do not hold the Notes through a permanent establishment or a fixed base of business in Luxembourg are not liable to Luxembourg income tax on (i) payments of principal or interest, (ii) accrued but unpaid interest, (iii) payments received upon redemption, repurchase or exchange of the Notes, or (iv) capital gains on sale of any Notes.

Luxembourg resident corporate Noteholders who are fully taxable, or non-resident Noteholders who have a permanent establishment in Luxembourg with which the holding of the Notes is connected, must for income tax purposes include any interest received in their taxable income and will be subject to net wealth tax. Noteholders of the Notes will not be liable for any Luxembourg taxation on income on repayment of principal upon repurchase, redemption or exchange of the Notes.

Interest received by an individual resident in Luxembourg is subject to withholding tax (see above “Withholding Tax - *Luxembourg residents*). This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

Individual Luxembourg resident Noteholders are not subject to taxation on capital gains upon the disposition of the Notes unless the disposition of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of these Notes. Upon a sale, repurchase, redemption or exchange of the Notes, individual Luxembourg resident Noteholders must however include the portion of the sale, repurchase, redemption or exchange price corresponding to accrued but unpaid interest in their taxable income.

A corporate entity, or “société de capitaux”, which is a Luxembourg resident Noteholder, or a foreign entity of the same type which has a Luxembourg permanent establishment, will need to include in its taxable income the difference between the sale, repurchase, redemption or exchange price (including accrued but unpaid interest) and the lower of cost or book value of the Notes sold, repurchased, redeemed or exchanged.

Luxembourg resident corporate Noteholders which are companies benefiting from a special tax regime (such as holding companies subject to the law of 31 July 1929 and undertakings for collective investment subject to the law of 20 December 2002) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e. corporate income tax, municipal business tax and net wealth tax) other than the subscription tax calculated on their share capital or net asset value.

Luxembourg net wealth tax will not be levied on a corporate Noteholder, unless (i) such Noteholder is a Luxembourg resident or (ii) the Notes are attributable to an enterprise or part thereof which is carried on in Luxembourg through a permanent establishment.

Luxembourg net wealth tax has been abolished for individuals Noteholder as from the year 2006.

Other Taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by a holder of the Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption or repurchase of the Notes.

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Company, if for Luxembourg value added tax purposes such services are rendered or are

deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

No gift, estate or inheritance taxes is levied on the transfer of the Notes upon death of a holder of the Notes in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Gross-up obligations

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

Consequences of imposition of withholding taxes

If withholding taxes are imposed, or there is a substantial likelihood that withholding taxes would be imposed on payments made by the Company or the Counterparty under the Swap Agreement, then the Counterparty shall, at its sole option, have the right to require the Company (on indemnification of its expenses in relation thereto):

- (i) to transfer all of its interest and obligations under the Swap Agreement together with its interests and obligations under the Mortgaged Property, the Notes, the Trust Deed and any other related agreement to another entity, whether or not in the same tax jurisdiction as the Company, which would not have any obligation to withhold or deduct (if the Company is or would be required to make such deduction or withholding) or to which the Counterparty would be entitled to make payments free from the relevant deduction or withholding (if the Counterparty is or would otherwise be required to make such withholding or deduction), subject, *inter alia*, to obtaining the prior written consent of the Trustee; or
- (ii) to transfer its residence for tax purposes to another jurisdiction, subject to obtaining the prior written consent of the Trustee.

If the Company is unable to transfer its interests to another party or to transfer its tax residence in accordance with the preceding provisions prior to the 30th day following the date of imposition of such withholding taxes or, if earlier, the 10th day prior to the first date on which it or the Counterparty would otherwise be required to make a payment net of withholding taxes, the Counterparty may terminate the swap transaction under the Swap Agreement. If, upon any such termination, the proceeds of the enforcement of the security are not sufficient to meet the claims of the Counterparty, the Noteholders and the Couponholders (if any), the shortfall will be borne in accordance with the priority provisions referred to in Condition 4(b) which are specified to apply in the relevant Supplemental Trust Deed.

THE CUSTODY ARRANGEMENTS

If so specified in the Final Terms, some or all of the Charged Assets will be held, or caused to be held, by Deutsche Bank AG London acting in its capacity as custodian and/or by such other custodian as may be appointed by the Company with the written approval of the Trustee and specified in the relevant Final Terms (the “Custodian”) pursuant to the Agency Agreement and the relevant Supplemental Trust Deed as the Company and Deutsche Bank AG London or such other custodian may enter into with the approval of the Trustee, and particulars of which will be given in the Final Terms relating to the relevant issue.

USE OF PROCEEDS AND EXPENSES

The net proceeds of each issue of Notes will be used by the Company in acquiring the relevant Collateral specified in the Supplemental Trust Deed and identified in the Final Terms and forming part of the Charged Assets on the date of issue of such Notes and/or making payments to the Counterparty under the Swap Agreement. The expenses for each issue of Notes will be identified in the Final Terms.

SUBSCRIPTION AND SALE

Introduction

Subject to the terms and conditions contained in an amended and restated master dealer agreement dated on or about 13 February 2006, as amended and supplemented from time to time, and made between the Company and Nomura International plc (the “Dealer Agreement”), (together with any further financial institution appointed as dealer under the Dealer Agreement, the “Dealers”), the Notes may be sold by the Company to the Dealers, who shall act as principals in relation to such sales. The Dealer Agreement also provides for Notes to be issued in Series which are jointly and severally underwritten by two or more Dealers.

The Company will pay a Dealer a commission as agreed between the Company and a Dealer in respect of the Notes subscribed by it.

The Company has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by the Company or, in relation to itself and itself only, by any Dealer, at any time on giving not less than 10 business days’ notice.

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

United States

The Notes have not been and will not be registered under the 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 as permitted by Regulation S. Terms used in this paragraph and not otherwise defined herein have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Bearer Notes, deliver the Notes of any identifiable Series, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Series (the “Distribution Compliance Period”) as determined, and certified to the relevant Dealer, by the Principal Paying Agent or, in the case of a Syndicated Issue, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor to which it sells Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Master Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a Base Prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Company of a Base Prospectus pursuant to Article 3 of the Prospectus Directive.

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

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Master Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Company;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of

Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

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

Italy

The offering of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy (“**Italy**”), except:

- (a) to professional investors (“**operatori qualificati**”), as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of 1 July 1998 (the “**CONSOB Regulation No. 11522**”), as amended; or
- (b) 1.1.2 in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the “**Financial Services Act**”) and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14th May, 1999, as amended.

Moreover and only in connection with the scenarios under (i) or (ii) above, any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, the CONSOB Regulation No. 11522 and Legislative Decree No. 385 of 1 September 1993 (the “**Italian Banking Act**”) and any other regulations all as amended;
- (b) in compliance with Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, pursuant to which the issue or the offer of securities in Italy may need to be preceded and followed by an appropriate notice to be filed with the Bank of Italy depending, *inter alia*, on the aggregate value of the securities issued or offered in Italy and their characteristics; and
- (c) in accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations and in compliance with any other applicable requirement or limitation which may be imposed from time to time by CONSOB or the Bank of Italy.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the “**Securities and Exchange Law**”). Accordingly, each Dealer has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and other relevant laws and regulations of Japan.

These selling restrictions may be modified by the agreement of the Company and the Dealers, *inter alia*, following a change in the relevant law, regulation or directive. Any such modification will be set out in the

Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

- (1) It is expected that each Tranche of Notes which is to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes or a Global Certificate or Individual Certificate initially representing the Notes of such Tranche. **The Master Programme provides that Notes may be listed on such further or other stock exchange(s) as the Company may decide. The Company may also issue unlisted Notes.**
- (2) The Company has obtained all necessary consents, approvals and authorisations in Luxembourg in connection with the establishment and update of the Master Programme and the issue and performance of Notes under the Master Programme. The update of the Master Programme and the issue of Notes under the Master Programme was authorised by resolutions of the Board of Directors of the Company passed on 8 February 2006.
- (3) There has been no material adverse change in the financial position or prospects of the Company since 28 February 2005 (being the date of its most recently audited accounts).
- (4) The Luxembourg Stock Exchange has allocated to the Master Programme the number 12696 for listing purposes.
- (5) The Company is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since the date of its incorporation, which may have had in the recent past, significant effects on the Company's financial position or profitability.
- (6) Each Bearer Note, Coupon and Talon with an initial maturity of 365 days or more will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (7) It is expected by the Company that all Bearer Notes and Registered Notes will be accepted for clearing through Euroclear and Clearstream, Luxembourg, or other clearing system specified in the relevant Final Terms. The Common Code for each Bearer Series of Notes, together with the relevant ISIN number and the CUSIP number and/or CINS number for each Series of Registered Notes, will be contained in the Final Terms relating thereto.
- (8) The Company does not intend to provide any post-issuance information in relation to the performance of any underlying collateral.
- (9) For so long as any Notes issued by it remain outstanding and for the life of the Base Prospectus, the following documents will be available free of charge from the date hereof, during usual business hours on any weekday (Saturdays and Sundays and public holidays excepted) for inspection at the registered office of the Company and the Principal Paying Agent. Copies of the documents enumerated below will be available, in the case of those documents numbered (v), (vi) and (vii) obtainable free of charge, from the Paying Agent in Luxembourg and in the case of those documents numbered (v) and (vi) are available in electronic form on the website of the Luxembourg Stock Exchange which is currently www.bourse.lu:
 - (i) the Trust Deed;
 - (ii) (if applicable) the Swap Agreement;

- (iii) the Agency Agreement;
- (iv) the constitutional documents of the Company;
- (v) each Final Terms for Notes which are outstanding and are listed on the Luxembourg Stock Exchange;
- (vi) a copy of this Base Prospectus;
- (vii) the historical financial information by the Company for each of the three financial years, which shall include copies of any audited accounts and any auditor's report relating thereto, preceding the publication of the Base Prospectus.

ARRANGER AND DEALER

Nomura International plc

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TRUSTEE

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PRINCIPAL PAYING AGENT, CALCULATION AGENT, AUTHENTICATION AGENT, TRANSFER AGENT AND CUSTODIAN

Deutsche Bank AG London

Winchester House
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London EC2N 2DB

REGISTRAR, PAYING AGENT, LISTING AGENT AND TRANSFER AGENT

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AUDITORS OF THE COMPANY

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