

Drawdown Prospectus dated 24 September 2009

PREMIUM Plus p.l.c.
(incorporated with limited liability in Ireland)

Euro 120,000,000
Zero Coupon Secured Notes due 2017 issued pursuant to the
PREMIUM Multi-Issuer Asset-Backed Medium Term Note Programme
Series 2009-3

Issue Price: 100.00 per cent.

PREMIUM Plus p.l.c. (the “**Issuer**”) is an Issuer under the PREMIUM Multi-Issuer Asset-Backed Medium Term Note Programme (the “**Programme**”).

This drawdown prospectus (the “**Drawdown Prospectus**”) constitutes a Prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”), as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005 (the “**Prospectus Regulations**”). This Drawdown Prospectus contains information relating to the issue by the Issuer of its Euro (“**EUR**”) 120,000,000 Zero Coupon Secured Notes due 2017 (the “**Notes**”) under the Programme, and must be read in conjunction with and incorporates by reference the contents of the base prospectus (the “**Base Prospectus**”) dated 28 May 2009 prepared by the Issuer for the purposes of Article 5.4 of the Prospectus Directive, which was approved by the Irish Financial Services Regulatory Authority, as competent authority under the Prospectus Directive (the “**Financial Regulator**”).

The Notes will be issued on 6 November 2009 (the “**Issue Date**”). The Notes will not bear interest.

The Issuer has entered into four zero coupon swap transactions (the “**Swap Transactions**”) with CALYON as swap counterparty (the “**Counterparty**”) in connection with the issue of the Notes, as further described herein. See “*Description of the Swap Agreement*” below.

Unless previously redeemed pursuant to Condition 7 (*Redemption, Purchase and Exchange*) or Condition 10 (*Events of Default*), the Notes shall be redeemed at a redemption amount, which will depend on the performance of the Underlying Assets, on or about 9 November 2017, as more fully described herein. Upon the occurrence of certain Underlying Disposal Events with respect to the Underlying Assets pursuant to Condition 7(b)(i)(B) or (C) or an Event of Default with respect to the Notes pursuant to Condition 10(a), the Underlying Assets will be sold and using the net sale proceeds the Issuer shall (i) pay any termination payments due by it under the Swap Agreement and/or the Investment Agreement upon its termination as determined by the Calculation Agent and (ii) redeem the Notes by paying to the Noteholders the remaining balance of the Liquidation Amount (if any) (subject to the Other Priority as provided in paragraph 53 (*Application of Proceeds*) of the Terms and Conditions of the Notes), as all such terms are defined and more fully described herein.

The Notes constitute secured, limited recourse obligations of the Issuer, secured in the manner described in Condition 4 (*Related Agreements and Security*) and recourse in respect of which is limited in the manner described in Condition 11 (*Limited Recourse Enforcement*), and will rank *pari passu* without any preference among themselves.

The Drawdown Prospectus has been approved by the Financial Regulator as competent authority under the Prospectus Directive. The Financial Regulator only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange (the “**Irish Stock Exchange**”) for the Notes to be admitted to the official list (the “**Official List**”) and trading on its regulated market. Application has also been made to Euronext Paris S.A. for the Notes to be listed and admitted to trading on Euronext Paris. However, there can be no assurance that any such listing or admission to trading will be granted.

The Financial Regulator, in its capacity as competent authority in Ireland for the purposes of the Prospectus Directive, has been requested to provide the Autorité des Marchés Financiers, which is the competent authority in France, for the purposes of the listing and admission to trading of the Notes on Euronext Paris in accordance with the Prospectus Directive, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

The Notes will initially be represented by a temporary global note without interest coupons (the “**Temporary Global Note**”) which will be deposited on or before the Issue Date with a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”). The Temporary Global Note will be exchangeable, in accordance with its terms, for interests in a permanent global note, without interest coupons (the “**Permanent Global Note**”) on or after a date which is expected to be 17 December 2009, upon certification as to non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable for definitive Notes in bearer form in the denomination of EUR 100, with interest coupons attached, only in the limited circumstances set out in the Permanent Global Note. See “*Summary of Conditions relating to the Notes while in Global Form*” set out in the Base Prospectus.

As at the Issue Date, the Notes will not be rated.

See “**Risk Factors**” on pages 10 to 19 of the Base Prospectus and pages 12 to 18 of this document for certain factors relevant to an investment in the Notes.

The language of this Drawdown Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Dealer
CALYON Crédit Agricole CIB

Except for the information relating to the terms and conditions of the Underlying Assets contained in the section headed “*Terms and Conditions of the Underlying Assets*” set out at Annex 2 hereto and in the section headed “*Description of the Counterparty*” below, the Issuer (the “**Responsible Person**”) accepts responsibility for the information contained in this Drawdown Prospectus. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information contained in the section headed “*Terms and Conditions of the Underlying Assets*” set out at Annex 2 hereto has been extracted from the final terms and conditions relating to such Underlying Assets. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such information, no facts have been omitted which would render the reproduced inaccurate or misleading.

The Counterparty accepts responsibility for the information contained in this Drawdown Prospectus in the section headed “*Description of the Counterparty*”. To the best of the knowledge and belief of the Counterparty, having taken all reasonable care to ensure that such is the case, such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer has not separately verified the information relating to the terms and conditions of the Underlying Assets contained in the section headed “*Terms and Conditions of the Underlying Assets*” set out at Annex 2 hereto and in the section headed “*Description of the Counterparty*”. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer in connection with such information.

Neither the Dealer nor the Trustee has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealer or the Trustee or any of their respective affiliates as to the accuracy or completeness of the information contained in this Drawdown Prospectus or any other information supplied in connection with the Notes or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer.

No person is or has been authorised to give any information or to make any representation not contained in this Drawdown Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Trustee, the Dealer or any of their respective affiliates.

No representation or warranty is made or implied by the Dealer or the Trustee or any of their respective affiliates, and neither the Dealer, the Trustee nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Drawdown Prospectus. Neither the delivery of this Drawdown Prospectus nor any composite part thereof nor the offering, sale or delivery of the Notes shall, in any circumstances, create any implication that the information contained in this Drawdown Prospectus is correct subsequent to the date hereof.

The distribution of this Drawdown Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Drawdown Prospectus or any composite part thereof or any Notes come must inform themselves about, and observe, any such restrictions.

None of the Issuer, the Dealer or the Trustee represent that this Drawdown Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealer (save for the approval of the Base Prospectus by the Financial Regulator, a request for the approval of this Drawdown Prospectus by the Financial Regulator and a request for the Financial Regulator to provide the Autorité des Marchés

Financiers, which is the competent authority in France, for the purposes of the listing and admission to trading of the Notes on Euronext Paris in accordance with the Prospectus Directive, with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive) or the Trustee which would permit a public offering of any Notes or distribution of this Drawdown Prospectus or any composite part thereof in any jurisdiction where action for that purpose is required. Accordingly, Notes may not lawfully be offered or sold, directly or indirectly, and none of this Drawdown Prospectus or any advertisement or other offering material relating to the Notes may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations, and the Dealer has represented that all offers and sales by it will be made on the same terms.

This Drawdown Prospectus and any further information supplied pursuant to the terms of the Notes should not be considered as a recommendation or constituting an invitation, offer or recommendation by or on behalf of the Issuer, the Trustee, the Dealer or any of their respective affiliates that any recipient of this Drawdown Prospectus or any further information supplied pursuant to the terms of the Notes should subscribe for or purchase any of the Notes. Each investor contemplating purchasing Notes should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness, of the Issuer.

The Notes have not been and will not be registered under the United Securities Act of 1933, as amended (the “**Securities Act**”) and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

A further description of the restrictions on offers and sales of the Notes in the United States or to, or for the benefit of, U.S. persons, and in certain other jurisdictions, is set forth under “Subscription and Sale” in the Base Prospectus.

This Drawdown Prospectus will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Financial Regulator. The Issuer is not and will not be regulated by the Financial Regulator as a result of issuing the Notes.

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SUMMARY

This summary is intended to give you an overview of details in relation to the Issuer and the Notes. This summary must be read as an introduction to the Prospectus and any decision to invest in any Notes should be based on a consideration of the Prospectus as a whole. Following the implementation of the relevant provisions of the Prospectus Directive in each member state of the European Economic Area, no civil liability will attach to the Responsible Person in any member state in respect of this summary, including any translation of this summary, unless it is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus. Where a claim relating to information contained in the Prospectus is brought before a court in a member state of the European Economic Area, the plaintiff may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

The Issuer

PREMIUM Plus p.l.c. (the “**Issuer**”) is a bankruptcy-remote special purpose vehicle incorporated in Ireland on 21 May 2009 as a public limited company under the Companies Act 1963 to 2009 for an unlimited duration. The Issuer has no subsidiaries. The authorised and issued share capital of the Issuer is EUR 40,000 divided into 40,000 shares with a nominal value of EUR 1.00 each. The business of the Issuer is limited to entering into the agreements relating to the Programme and the issue of the Notes and performing its obligations and exercising its rights thereunder.

The Issuer is not, nor has it been, involved in any legal, governmental or arbitration proceedings which may have or have had since 21 May 2009, being its date of incorporation, a significant effect on the financial position of the Issuer, nor so far as the Issuer is aware are any such legal, governmental or arbitration proceedings pending or threatened. There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer since 21 May 2009, being its date of incorporation.

The Programme

The Issuer acceded on 28 May 2009 to the PREMIUM Multi-Issuer Asset-Backed Medium Term Note Programme (the “**Programme**”) pursuant to which it proposes, among other things, to issue secured debt obligations such as the Notes up to a maximum aggregate principal amount outstanding at any one time of EUR 25,000,000,000. The Programme is described in the Base Prospectus dated 28 May 2009. It is intended that other issuers wishing, among other things, to issue secured debt obligations such as the Notes may from time to time accede to the Programme, provided that the liability of each issuer (including the Issuer) under the Programme is several (and separate in respect of each series of Notes issued by it) and that none of the issuers shall be responsible for the obligations of any other issuer.

Transaction Overview

This transaction overview does not purport to be complete and is qualified in its entirety by reference to (i) the detailed information appearing elsewhere in this Drawdown Prospectus and the Base Prospectus, (ii) the terms and conditions of the Notes and (iii) the provisions of the documents referred to in this Drawdown Prospectus:

- (a) The Issuer issues the Notes for the total principal amount of EUR 120,000,000 and invests the net proceeds of issue (being EUR 120,000,000) in four bonds issued by four European corporations (each an “**Underlying Asset Issuer**”) as specified in the table below (together, the “**Underlying Assets**”), each in an amount equal to the notional amount specified in the table below (the “**Underlying Asset Notional Amount**”), which are purchased from CALYON as vendor under the terms of a sale agreement (the “**Sale Agreement**”).
- (b) The Issuer will enter into four zero coupon swap transactions (each a “**Swap Transaction**”) with CALYON as counterparty (the “**Swap Counterparty**”) under a 1992 ISDA Master

Agreement (together, the “**Swap Agreement**”), each in respect of a separate Underlying Asset, pursuant to which on the termination date of the Swap Transaction the Issuer will receive under each Swap Transaction an amount equal to the product of the notional amount of such Swap Transaction (which is equal to the Underlying Asset Notional Amount corresponding to the relevant Underlying Asset as specified in the table below) and the bond performance amount percentage as specified in the table below (the “**Bond Performance Amount**”) corresponding to the relevant Underlying Asset against the payment on each scheduled payment date thereof of any interest amounts due and payable in respect of such Underlying Asset pursuant to the offering document or other document incorporating the terms and conditions of such Underlying Asset on the issue date thereof, without taking into account any subsequent modification thereof.

- (c) In the event that there has been in respect of any Underlying Asset, (i) the failure of the underlying obligor to make a payment when and where due as scheduled or (ii) a default, event of default or other similar condition (however described) in respect of the underlying obligor, in each case pursuant to the offering document or other document incorporating the terms and conditions of such Underlying Asset on the issue date thereof, without taking into account any subsequent modification thereof (the “**Underlying Asset Default**”) (the Underlying Asset in such case, the “**Defaulted Underlying Asset**”), the Swap Transaction relating to the Defaulted Underlying Asset will terminate early and a termination amount will become payable.
- (d) Each Defaulted Underlying Asset will be sold by CALYON as disposal agent (the “**Disposal Agent**”) under the terms of a disposal agency agreement (the “**Disposal Agency Agreement**”) and the Trust Deed. The Recovery Value (as defined below) (if greater than zero) will be invested by the Issuer (each an “**Investment**”) with CALYON as investment provider (the “**Investment Provider**”) under the terms of an investment agreement (the “**Investment Agreement**”). The Bond Performance Amount received under each Swap Transaction, together with redemption amounts received in respect of the Underlying Assets and any amount payable under the Investment Agreement, will fund the Final Redemption Amount payable under the Notes on the Scheduled Maturity Date as further described below.
- (e) The Final Redemption Amount payable to the Noteholders on the Scheduled Maturity Date of the Notes will be a pro rata share of an amount equal to the following:
 - (i) **in the event that there has been no Underlying Asset Default**, an amount equal to the aggregate principal amount of the Notes multiplied by 58.31 per cent., which corresponds to an amount equal to the sum of (A) and (B) where:
 - (A) is an amount equal to:
 - (1) the aggregate of the Underlying Asset Notional Amounts in respect of each Underlying Asset; multiplied by
 - (x) 100 per cent.; plus
 - (2) (y) the aggregate of the underlying assets coupon performance percentages corresponding to each Underlying Asset as specified in the table below (each an “**Underlying Assets Coupon Performance Percentage**”); and
 - (B) is an amount equal to the Excess Amount, if any, where:

“**Excess Amount**” means the aggregate of any amount(s) received by the Swap Counterparty under the Swap Transactions in excess of the scheduled interest amounts due in respect of any Underlying Asset in connection with the rating downgrade of the issuer of such Underlying Asset (pursuant to the offering document or other document incorporating the terms and conditions

of such Underlying Asset on the issue date thereof, without taking into account any subsequent modification thereof); or

(ii) **in the event that there has been one or more Underlying Asset Defaults**, an amount equal to the sum of (A), (B) and (C) where:

(A) is an amount equal to:

(1) the aggregate of the Underlying Asset Notional Amounts in respect of each Underlying Asset which is not a Defaulted Underlying Asset (the Underlying Asset in such case, the “**Non-Defaulted Underlying Asset**”); multiplied by

(2) (x) 100 per cent.; plus

(y) the aggregate of the Underlying Assets Coupon Performance Percentages in respect of each Non-Defaulted Underlying Asset;

(B) is an amount equal to the aggregate of the Capitalised Recovery Values in respect of each Defaulted Underlying Asset where:

“**Capitalised Recovery Value**” means the Recovery Value in respect of each Defaulted Underlying Asset plus accrued compounding interest thereon under the terms of the Investment Agreement.

“**Recovery Value**” means in respect of each Defaulted Underlying Asset an amount equal to (subject to a minimum of zero):

(1) the net sale proceeds in respect of the Defaulted Underlying Asset; minus

(2) the termination amount payable by either the Issuer to the Swap Counterparty (resulting in a loss for the Issuer and the Noteholders) or the Swap Counterparty to the Issuer (resulting in a gain for the Issuer, which may result in a gain for Noteholders) in respect of the early termination of the Swap Transaction relating to the Defaulted Underlying Asset, such termination amount (which for the avoidance of doubt, may be less than zero) being equal to an amount (if positive, being a loss to the Issuer or if negative, being a gain to the Issuer) that the relevant party reasonably determines in good faith to be its total losses and costs (or gain) in connection with the Swap Agreement or such terminated Swap Transaction, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position (or any gain resulting from any of them). Such amount shall also include losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date (as defined in the Swap Agreement) and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) of the Swap Agreement applies. A party may (but need not) determine the amount by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets; and

(C) is an amount equal to the Excess Amount (as defined above), if any.

The Notes

The Notes are secured and limited recourse obligations of the Issuer payable solely out of the funds available to the Issuer. The redemption amount payable in respect of the Notes is linked to the performance of the Underlying Assets. The Notes will be constituted and secured by the Principal Trust Deed and the Supplemental Trust Deed made between, among others, the Issuer and the Trustee. The Notes are issued in bearer form.

The Underlying Assets

The Underlying Assets are issued by each of the Underlying Asset Issuers and as of the issue date of each Underlying Asset, will have the rating indicated in the table below from Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. ("S&P").

Underlying Asset Issuer	Rating	Underlying Asset Notional Amount	Identifier (ISIN)	Weighting of each Underlying Asset	Bond Performance Amount Percentage (expressed as a percentage of the corresponding Underlying Asset Notional Amount)	Underlying Assets Coupon Performance Percentage (expressed as a percentage of the total principal amount of the Notes)
Accor S.A.	BBB	EUR 30,000,000.00	FR0010784066	25%	54.65%	13.662%
LAFARGE S.A.	BBB-	EUR 30,000,000.00	FR0010784108	25%	62.15%	15.538%
Holcim Finance (Luxembourg) S.A.	BBB	EUR 30,000,000.00	XS0441725347	25%	57.53%	14.382%
PPR S.A.	BBB-	EUR 30,000,000.00	FR0010784082	25%	58.91%	14.728%
	Total	EUR 120,000,000		100.00%	58.31%	58.31%

Security

The obligations of the Issuer under the Notes and to the other secured creditors (including, among others, the Trustee, the Agents, the Disposal Agent, the Swap Counterparty and the Investment Provider (together with the Noteholders, the "Secured Creditors")) are secured by security interests over, among other things, the Underlying Assets, all sums held from time to time by any Paying Agent for the account of the Issuer in respect of the Notes and the Issuer's rights, title, interest and benefits in the Agency Agreement, the Disposal Agency Agreement, the Swap Agreement and the Investment Agreement (the assets on which the Notes are secured are referred to as the "Charged Assets").

Limited Recourse

The Notes are limited recourse obligations of the Issuer. Payments due in respect of the Notes prior to their redemption will be made solely out of amounts received by or on behalf of the Issuer in respect of the Charged Assets. In addition, payments on the Notes both prior to and following enforcement of the security over the Charged Assets will be subordinated to the payment of certain expenses of the Issuer and amounts due in relation to the Notes to, among others, the Trustee, the Agents, the Disposal Agent, the Swap Counterparty and the Investment Provider. The net proceeds of liquidation of the Charged Assets (on the maturity of the Notes or following an Event of Default) may be insufficient to pay all amounts due to the Noteholders after making payments to the Secured Creditors ranking in

priority thereto. No other assets of the Issuer will be available to meet such shortfall and any outstanding claim of the Noteholders will be extinguished.

Redemption

Unless redeemed earlier, the Notes will be redeemed on 9 November 2017 (the “**Scheduled Maturity Date**”) subject to adjustment in accordance with the Modified Following Business Day Convention.

Early Redemption

The Notes shall be immediately due and repayable prior to the Scheduled Maturity Date following the occurrence of any customary Early Redemption Events (including, but not limited to, where the Investment Agreement or the Swap Agreement is terminated in whole (however, excluding where any individual Swap Transaction is terminated as a result of an Underlying Asset Default) or where the Issuer would be required by law to withhold or account for tax in relation to the Notes) or Events of Defaults including, but not limited to, any failure to pay by the Issuer, after the applicable grace period has elapsed, of sums due in respect of the Notes or insolvency events relating to, or the insolvency of, the Issuer. Upon notice being given by the Trustee (the instructing creditor may direct the Trustee to give such notice, which will be the Swap Counterparty in the event that it has an outstanding claim, and the Trustee may act upon the instruction if it determines that it is not materially prejudicial to Noteholders) to the Issuer of an Event of Default, the security for the Notes will become enforceable. The Early Redemption Amount payable to the Noteholders will be a pro rata share of the net liquidation proceeds of the Charged Assets after taking into account the unwind costs of the Swap Agreement and any amounts due to the Investment Provider under the Investment Agreement (and any amounts due to the Trustee, the Agents and the Disposal Agent, among others). The unwind costs of the Swap Agreement and any amounts due to the Investment Provider will be taken into account in all circumstances, including in the event that a default or termination event in respect of the Swap Counterparty under the Swap Agreement or in respect of the Investment Provider under the Investment Agreement resulted in the early redemption of the Notes.

Interest

The Notes do not bear interest.

Investment Agreement

In the event of an Underlying Asset Default, under the terms of the Investment Agreement, the Investment Provider will pay compounding interest to the Issuer on the Investment. Such interest shall be calculated on the basis of a benchmark rate plus or minus a liquidity margin to the Investment Provider from the date of investment up to the Scheduled Maturity Date or any Early Redemption Date, as determined by the Calculation Agent acting in good faith and a commercially reasonable manner at the time of early termination of any Swap Transaction. Such interest shall accrue for each day of the relevant investment period.

Liquidity of the Notes

Subject to normal market conditions, CALYON will publish on each Business Day until the Maturity Date of the Notes a firm bid price in respect of the Notes on a screen page on Fininfo and/or Bloomberg. Any request by Noteholders to buy-back any Notes will be executed on the next Business Day by CALYON at such firm bid price so published by CALYON on the screen page mentioned above on such next Business Day. For the purposes hereof, "Business Day" shall mean a day (other than Saturdays and Sundays) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Paris and on which the TARGET System is operating.

Notes in the Clearing Systems

The Notes will initially be represented by a temporary global note which will be deposited on the Issue Date with a common depositary on behalf of Euroclear and Clearstream, Luxembourg and interests therein will be credited to the accounts of the respective holders with Euroclear and/ or Clearstream, Luxembourg. Interests in such global note will be exchangeable for interests in a permanent global note not earlier than 40 days after the end of distribution of the Notes and upon certification as to non-U.S. beneficial ownership. Interests in the permanent global note may be exchanged for Notes in definitive form in limited circumstances.

Rating

The Notes are not rated as at the Issue Date and will not be rated thereafter.

Listing

The Drawdown Prospectus has been approved by the Financial Regulator. The Financial Regulator only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. Application has also been made to Euronext Paris S.A. for the Notes to be listed and admitted to trading on Euronext Paris.

Risk Factors

Prospective investors should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with any professional advisers as they deem necessary to determine the appropriateness, effect, risks and consequences of an investment in the Notes. Any decision by prospective investors to make an investment in the Notes should be based upon their own judgement and upon any advice from such advisers, and not upon any view expressed by the Issuer or CALYON.

1. The purchase of the Notes involves substantial risks of partial or complete losses and the Issuer and CALYON consider that they are only suitable for investors who:
 - (a) have the knowledge and experience in financial matters necessary to evaluate the merits and considerable risks of an investment in the Notes;
 - (b) are capable of bearing the economic risk of an investment in the Notes for the term of the Notes, which may involve a partial or complete loss of principal and interest; and
 - (c) are prepared to hold the Notes to maturity. Subject to normal market conditions, CALYON will publish on each Business Day until the Maturity Date of the Notes a firm bid price in respect of the Notes on a screen page on Fininfo and/or Bloomberg. Any request by Noteholders to buy-back any Notes will be executed on the next Business Day by CALYON at such firm bid price so published by CALYON on the screen page mentioned above on such next Business Day.

2. Prospective investors should note that the market value of the Notes is affected by supply and demand for the Notes, and that, accordingly, it should not be assumed that there will be a perfect correlation between such market value and the market value of the Charged Assets.
3. Before making an investment decision, prospective investors should appreciate the market value of the Underlying Assets and the Swap Agreement may fluctuate, with, among other things, changes in prevailing interest rates, general economic conditions, the conditions of financial markets, European and international political events, developments or trends in any particular industry, the financial condition of each such obligor and the terms and conditions of the Underlying Assets and should acquire for themselves such further information as they deem necessary in respect of the Underlying Assets.

Taxation

Each holder of Notes will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. The Issuer will not pay any additional amounts to holders of the Notes to compensate them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer or any Paying Agents or suffered by the Issuer in respect of its income or otherwise from the Charged Assets or payments under the Investment Agreement or the Swap Agreement (including the receipt by the Issuer of such income or payments after deduction on account of tax or after deduction on account of a higher rate of tax) or any tax, assessment or charge suffered by the Issuer and the Issuer cannot arrange for its substitution as principal debtor under the Notes.

RISK FACTORS

Potential investors should read carefully the relevant risk factors relating to the Issuer and the Notes contained in the section entitled “Risk Factors” in the Base Prospectus, as well as the additional factors set out below. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Drawdown Prospectus, including in particular such risk factors, which are not intended to be exhaustive. Prospective investors should therefore make their own independent evaluations of all risk factors related to an investment in the Notes and should also read the detailed information set out elsewhere in this Drawdown Prospectus. Terms defined in the section entitled “Terms and Conditions of the Notes” shall have the same meaning where used below.

Obligations not guaranteed

The Obligations will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity. In particular the Obligations will not be obligations of, and will not be guaranteed by, the Trustee, any Agent or the Dealer.

Reliability on the Creditworthiness of the Counterparty and Investment Provider

The ability of the Issuer to meet its obligations under the Notes will depend on the receipt by it of payments under the Swap Agreement (as defined in “*Description of the Swap Agreement*” below) and on the performance by the Investment Provider of its obligations under the Investment Agreement (as defined in “*Description of the Investment Agreement*” below). Consequently, the Issuer is exposed not only to, *inter alia*, the occurrence of certain Underlying Disposal Events relating to the Underlying Assets and the issuer thereof, but also to the ability of the Counterparty to perform its obligations in respect of the Swap Agreement and the ability of the Investment Provider to perform its obligations in respect of the Investment Agreement. The obligations of the Counterparty under the Swap Agreement and the Investment Provider under the Investment Agreement are not secured.

In the event of a default of the Counterparty under the Swap Agreement or of the Investment Provider under the Investment Agreement, the Trustee may seek to liquidate the Underlying Assets on behalf of the Issuer. The market for the Underlying Assets may be illiquid, and the proceeds of such liquidation may not be sufficient to meet payments due in respect of each Note.

Limited Liquidity

Subject to normal market conditions, CALYON will publish on each Business Day until the Maturity Date of the Notes a firm bid price in respect of the Notes on a screen page on Fininfo and/or Bloomberg. Any request by Noteholders to buy-back any Notes will be executed on the next Business Day by CALYON at such firm bid price so published by CALYON on the screen page mentioned above on such next Business Day.

Subject to the foregoing, there is currently no active trading market for any of the Notes being offered hereby and the Notes are subject to restrictions on transfer. The Notes will be owned by a relatively small number of investors and it is highly unlikely that an active secondary market for the Notes will develop. Purchasers of the Notes may find it difficult or uneconomic to liquidate their investment at any particular time, and it may be difficult for the Noteholders to determine the value of the Notes at any particular time. Consequently, a purchaser must be prepared to hold the Notes until maturity. Moreover, the limited scope of information available to each of the Issuers, the Trustee and the Noteholders regarding each Underlying Asset, including (i) the fact that each Underlying Asset is not listed on a stock exchange and the initial offering thereof was subject to private placement arrangements and (ii) the uncertainty as to the sale price obtainable if a Underlying Asset Default has occurred and the Disposal Agent seeks to dispose of the Defaulted Underlying Asset pursuant to the Disposal Agency Agreement, may further affect the liquidity of the Notes. Additionally any rating in respect of any Underlying Asset is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension reduction or withdrawal at any time by the relevant rating agency.

Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final maturity.

Despite the Issuer's option to purchase Notes pursuant to Condition 7(c) of the Notes, the Issuer may exercise such option in its sole and absolute discretion and such purchase of the Notes by the Issuer shall in any event be at the prevailing market price for the Notes, which may be substantially less than the aggregate principal amount of the Notes to be purchased.

The market value of the Underlying Assets will generally fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of certain financial markets, international political events, developments or trends in any particular industry and the financial condition of the underlying obligor of the Underlying Assets.

The financial markets periodically experience substantial fluctuations in prices for unsecured debt obligations and limited liquidity for such obligations. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not occur, subsist or become more acute following the Issue Date. During periods of limited liability and higher price volatility, the Disposal Agent's ability to dispose of any Defaulted Underlying Assets at an advantageous price and time may be impaired.

None of the Issuer, the Trustee, the Arranger, the Agents, the Disposal Agent, the Swap Counterparty, the Investment Provider or any other party makes any representation as to the credit quality of any issuer of an Underlying Asset. The Issuer, the Trustee, the Arranger, the Agents, the Disposal Agent, the Swap Counterparty, the Investment Provider or any other party may have acquired, or during the term of the Notes may acquire, non-public information with respect to any issuer of an Underlying Asset. None of the Issuer, the Trustee, the Arranger, the Agents, the Disposal Agent, the Swap Counterparty, the Investment Provider or any other party is under any obligation to make available any information relating to, or keep under review on the investors' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of any issuer of an Underlying Asset or conduct any investigation or due diligence into any issuer of an Underlying Asset.

Concentration Risk

The risk that payments on the Notes could be adversely affected by defaults on the related Underlying Assets is likely to be increased to the extent that the Underlying Assets are issued by one or more obligors in any one industry, region or country, holding their assets in the same region or country, and/or having similarities of business and/or profit sources as a result of the increased potential for correlated defaults in respect of a single obligor or within a single industry, region or country as a result of downturns relating generally to such industry, region or country.

Security

The Underlying Assets will be held by the Custodian. The Custodian will hold certain of the Underlying Assets through its accounts with Euroclear or Clearstream, Luxembourg as appropriate. Those Underlying Assets held in clearing systems will not be held in special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of the other customers of the Custodian. A first fixed charge over such securities will be created under English law pursuant to the Supplemental Trust Deed on the Issue Date and will take effect as a security interest over the right of the Issuer to require delivery of equivalent securities from the Custodian.

The securities held by the Custodian for or on behalf of the Issuer through its account with Euroclear will also be the subject of a commercial pledge under Belgian law, created by the Issuer pursuant to the Euroclear Pledge Agreement on the Issue Date. The effect of this security interest will be to,

amongst others, enable the Trustee (or the Custodian on behalf of the Trustee), on enforcement, to sell the pledged securities.

However, the charge created pursuant to the Supplemental Trust Deed and the security created by the Euroclear Pledge Agreement may be insufficient or ineffective to secure the Underlying Assets which are securities for the benefit of Noteholders, particularly in the event of any insolvency or liquidation of the Custodian or any sub-custodian that has priority over the right of the Issuer to require delivery of such assets from the Custodian. Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes must be borne by the Noteholders without recourse to the Issuer, the Trustee, the Arranger, the Agents, the Disposal Agent, the Swap Counterparty, the Investment Provider or any other party.

In addition, custody and clearance risks may be associated with Underlying Assets which are securities that do not clear through Euroclear or Clearstream, Luxembourg. There is a risk, for example, that such securities could be counterfeit, or subject to a defect in title or claims to ownership by other parties.

Cash Settlement on Underlying Disposal Event or Event of Default and Counterparty and Investment Provider Priority

Upon the occurrence of an Underlying Disposal Event with respect to an Underlying Asset (which includes also the termination of the Swap Agreement or the Investment Agreement, however, which excludes the termination of any individual Swap Transaction as a result of the occurrence of an Underlying Asset Default with respect to an Underlying Asset) or an Event of Default with respect to the Notes, the security created by the Security Documents (as defined below) shall be enforced as more fully described in “*Description of the Security*” below. Subject to any termination payment due by the Issuer to the Counterparty under the Swap Agreement and/or any payment due by the Issuer to the Investment Provider under the Investment Agreement, the Underlying Assets will be sold and the proceeds less certain costs will be paid to the Noteholders following such enforcement. If any such termination payment is due by the Issuer to the Counterparty under the Swap Agreement and/or any such payment is due by the Issuer to the Investment Provider under the Investment Agreement, an amount equal thereto will (subject to the Other Priority as provided in paragraph 53 “*Application of Proceeds*” of the Terms and Conditions of the Notes below) first be paid to the Counterparty in satisfaction of such termination payment and/or to the Investment Provider in satisfaction of such payment in priority to the Noteholders. Payments to Noteholders shall be subordinated to payments to the Counterparty and the Investment Provider in all circumstances, including in the event that a default or termination event in respect of the Counterparty under the Swap Agreement or the Investment Provider under the Investment Agreement resulted in the enforcement of Security. The remaining balance of the Liquidation Amount, if any, only shall be paid to the Noteholders and accordingly the Noteholders will lose a corresponding part of their investment. In addition, in light of certain of the circumstances which could give rise to an Underlying Disposal Event (for example, an adverse tax event affecting, the Underlying Assets), the market or trading price and liquidity of such Underlying Assets would be adversely affected and the value of such Underlying Assets may be less than the redemption amount of the Notes. As a consequence, the Noteholders would lose all of their investment in respect of any such shortfall.

Disposal of the Underlying Assets

Disposal Agency Agreement

The Disposal Agent is given certain powers under the Disposal Agency Agreement to act as Disposal Agent to the Issuer in respect of the Underlying Assets pursuant to and in accordance with the parameters and criteria set out in the Disposal Agency Agreement. See “*Description of the Disposal Agency Agreement*”. The powers and duties of the Disposal Agent in relation to the Underlying Assets include effecting, on behalf of the Issuer the sale of the Underlying Assets in accordance with the provisions of the Disposal Agency Agreement and the Trust Deed, as the case may be. In addition, to the extent that the Disposal Agent is unable to sell all or any portion of the outstanding

principal amount of the relevant Defaulted Underlying Asset pursuant to the dealer and noteholder auction procedures for whatever reason after using reasonable efforts to effect such sale pursuant to the terms of the Disposal Agency Agreement, the Disposal Agent or any of its Affiliates (including, without limitation, the Counterparty) shall purchase the remaining balance of the outstanding principal amount of the relevant Defaulted Underlying Asset at a price in EUR, equal to the product of (a) 0.01 per cent.; and (b) the remaining balance of the outstanding principal amount of the relevant Defaulted Underlying Asset.

The Disposal Agent may be removed by the Issuer if (i) at any time the Disposal Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver, administrator or other similar official of all or any substantial part of its property or admits in writing its inability to pay or to meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for its winding-up or dissolution, or if a receiver, administrator or other similar official of itself or all or any substantial part of its property is appointed, or if an order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency laws, or if any public officer takes charge or control of it or its property or affairs for the purpose of rehabilitation, conservation or liquidation; or (ii) it fails duly to perform any act required to be performed by it under the Disposal Agency Agreement and the Issuer gives it notice that it intends to appoint a replacement disposal agent meeting the requirements set out in the Disposal Agency Agreement.

The Disposal Agent may resign its appointment under the Disposal Agency Agreement at any time by giving prior written notice to the Issuer.

No Investment Manager

The Issuer has not engaged, and will not engage, an investment manager or any other party to (i) select the Underlying Assets, (ii) actively sell the Underlying Assets (other than the Disposal Agent as described above or in connection with a redemption of the Notes or upon enforcement of the security) or (iii) reinvest the amounts received in relation to the Underlying Assets.

The obligations of the Disposal Agent under the Disposal Agency Agreement are owed only to the Issuer. The Disposal Agent does not have any obligations or responsibilities to the Noteholders or the Trustee and does not owe any fiduciary duties to the Issuer.

The functions described above undertaken by the Disposal Agent pursuant to the Disposal Agency Agreement are limited in scope and do not constitute the level of review, monitoring or discretionary management in respect of the Underlying Assets which would normally be provided by an investment manager to an Underlying Asset transaction which is managed.

The inability of the Issuer to exercise discretion in these contexts could adversely affect the Issuer and the holders of the Notes, and it is impossible to quantify the potential magnitude of this impact. Potential investors in the Notes are urged before investing in any of the Notes to (a) review carefully this Drawdown Prospectus and the related terms of the Disposal Agency Agreement and other operative documents and (b) consider the inability of the Issuer to exercise discretion.

The Trustee and the Issuer are not under any obligation to monitor the compliance of the Disposal Agent in relation to their respective obligations under the Transaction Documents.

Disposal Risk

In the event that an Underlying Asset is designated as a Defaulted Underlying Asset, the Disposal Agent may sell such Defaulted Underlying Asset pursuant to the procedure and timing as set out in the Disposal Agency Agreement. There can be no assurance as to the timing of the Disposal Agent's sale of such Underlying Asset or the period for which such affected asset may be retained, or if there will be any market for such Underlying Asset or as to the rates of recovery on such Underlying Asset.

Certain Conflicts of Interest of the Disposal Agent

Various potential and actual conflicts of interest may arise from the overall, investment and other activities of the Disposal Agent, its affiliates and their respective clients. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Disposal Agent and its affiliates may have ongoing relationships with, render services to or engage in transactions with, companies whose securities are pledged to secure the Notes and may own equity or debt securities issued by obligors of the Underlying Assets. As a result, officers or affiliates of the Disposal Agent may possess information relating to obligors of the Underlying Assets which is not known to the individuals at the Disposal Agent responsible for monitoring the Underlying Assets and performing the other obligations under the Disposal Agency Agreement. In addition, affiliates and clients of the Disposal Agent may invest in securities that are senior to, or have interests different from or adverse to, the Underlying Assets that are pledged to secure the Notes. The Disposal Agent and/or its affiliates may at certain times be simultaneously seeking to dispose of investments for its or their own account, for the Issuer, for any similar entity for which it serves as manager or adviser and for its clients or affiliates.

Any transaction effected under the Disposal Agency Agreement shall be conducted on an arm's length basis. It is intended that any Underlying Assets be sold by the Issuer will be on terms prevailing in the market. Neither the Disposal Agent nor any of its affiliates is under any obligation to offer investment opportunities of which they have become aware to the Issuer or to account to the Issuer (or share with the Issuer or inform the Issuer of) any such transaction or any benefit received by them from any such transaction. Furthermore, the Disposal Agent and/or its affiliates may make an investment on behalf of any account that they manage or advise without offering the investment opportunity to or making any investment on behalf of the Issuer. The Disposal Agent and/or its affiliates have no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering any investments to other funds or accounts that the Disposal Agent and/or its affiliates manage or advise. Furthermore, affiliates of the Disposal Agent may make an investment on their own behalf without offering the investment opportunity to, or the Disposal Agent making any investment on behalf of, the Issuer. Affirmative obligations may exist or may arise in the future, whereby affiliates of the Disposal Agent are obliged to offer certain investments to funds or accounts that such affiliates manage or advise before or without the Disposal Agent offering those investments to the Issuer. Affiliates of the Disposal Agent have no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before engaging in any investments for themselves.

The Disposal Agent will endeavour to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the extent possible under the prevailing facts and circumstances. Although the professional staff of the Disposal Agent will devote as much time to the Issuer as the Disposal Agent deems appropriate to perform its duties in accordance with the Disposal Agency Agreement, those staff may have conflicts in allocating their time and services among the Issuer and the Disposal Agent's other accounts.

The Disposal Agent, acting on behalf of the Issuer, may effect sale transactions between the Issuer and other entities in respect of which the Disposal Agent or any of its affiliates acts as a manager. The Disposal Agent, on behalf of the Issuer, may conduct principal trades with itself and its affiliates, subject to applicable law. The Disposal Agent may also effect client cross transactions where the Disposal Agent causes a transaction to be effected between the Issuer and another account advised by any of its affiliates. Client cross transactions enable the Disposal Agent to sell a block of securities for the Issuer at a set price and possibly avoid an unfavourable price movement that may be created through entrance into the market with such sell order. In addition, with the prior authorisation of the Issuer, which may be revoked at any time, the Disposal Agent may enter into agency cross transactions where any of its affiliates acts as broker for the Issuer and for the other party to the transaction, in which case any such affiliate will receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to the transaction.

It is expected that the Disposal Agent and/or its affiliates may own equity or other securities of obligors of Underlying Assets and may have provided investment advice, investment management and other services to obligors of Underlying Assets.

There is no limitation or restriction on the Disposal Agent or any of its respective affiliates with regard to acting as Disposal Agent (or in a similar role) to other parties or persons. This and other future activities of the Disposal Agent and/or its affiliates may give rise to additional conflicts of interest.

Investment Agreement

The Issuer will invest the Recovery Value (if any) in respect of a Defaulted Underlying Asset (the “**Investment**”) with the Investment Provider under the terms of the Investment Agreement. The Investment Provider will pay to the Issuer on the Scheduled Maturity Date of the Notes compounding interest on the Investment accrued at a benchmark rate plus or minus a liquidity margin to the Investment Provider as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner at the time of early termination of the Swap Transaction in respect of the related Defaulted Underlying Asset, for each day of the relevant investment period, provided that the applicable rate on the second Business Day prior to the Scheduled Maturity Date or any Early Redemption Date shall be deemed to be the rate applicable on the following Business Day. The Investment may be liquidated at any time in whole for, among other reasons, the redemption of the Notes.

Current Economic Climate

The global economy is currently experiencing a crisis in the credit markets as well as a general downturn and, in certain countries, a recession. Among the sectors that are experiencing particular difficulty due to current economic conditions are the structured credit, leveraged finance and investment fund markets.

There are significant risks for the Issuer and Noteholders as a result of the current economic climate. These risks include, among others, (i) the likelihood that the Issuer will find it more difficult to sell any of its Underlying Assets in the secondary market, thus rendering it more difficult to dispose of such Underlying Assets, (ii) the possibility that, on or after the date hereof, the prices at which Underlying Assets can be sold by the Issuer will have deteriorated from their current market value and (iii) the increased illiquidity of the Notes as there is currently no secondary trading in such securities. These additional risks may materially adversely affect the returns on the Notes to investors.

As the credit crisis has continued through 2008 and into 2009 it has had an increasing impact on the economies of a number of jurisdictions who are members of the Organisation of Economic Co-operation and Development (“**OECD**”) jurisdictions. The slowdown in growth or commencement of a recession in such economies will have an adverse effect on the ability of consumers and businesses to repay or refinance their existing debt. On 1 December 2008 the United States National Bureau of Economic Research announced that the United States economy has been in a recession since December 2007. It is likely that many other OECD countries are also in a recession.

Adverse macro-economic conditions may adversely affect the performance and the realisation value of the Issuer’s assets. Default rates on assets underlying many structured transactions will increase and, accordingly, the performance of many structured transactions will suffer as a result. It is possible that the Underlying Assets will experience higher default rates than anticipated and that expected performance will suffer.

While it is possible that current conditions may improve for certain sectors of the global economy, there can be no assurance that the structured finance product markets will recover at the same time or to the same degree as such other recovering sectors.

Among the casualties of the credit crisis has been Lehman Brothers and its affiliates around the world, many of which are currently in bankruptcy or insolvency proceedings, as well as other major global

financial institutions which have either been forced into mergers with other financial institutions (e.g., Bear Stearns) or partially or fully nationalised (e.g., AIG and several large banks in the United States, the United Kingdom and Europe). The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is a Counterparty to a swap involving the related Issuer, or a counterparty to a buy or sell trade that has not settled with respect to any Underlying Asset with the Issuer or the administrative agent of any Underlying Asset. As is the case with the Lehman Brothers bankruptcy proceedings, the bankruptcy or insolvency of another financial institution may result in the disruption of payments to the Issuer. In addition, as was the case with Lehman Brothers and Bear Stearns, the bankruptcy, insolvency, reorganisation or nationalisation of one or more additional financial institutions may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer, the Underlying Assets and the Notes.

It is possible that one of the effects of the global credit crisis and the failure of several global financial institutions will be an introduction of a significantly more restrictive regulatory environment including the implementation of new accounting and capital adequacy rules in addition to further regulation of derivative instruments. Such additional rules and regulations could, among other things, adversely affect Noteholders.

The Instructing Creditor is the Counterparty

The Instructing Creditor is the Counterparty. The Counterparty may (where specified) request the Trustee to take actions contemplated in the Conditions by means of a written request. The Counterparty may only make such a request to the Trustee if sums are due but unpaid to the Counterparty. Upon receiving such a request from the Instructing Creditor, the Trustee shall be entitled to act in accordance with such request and shall not be obliged to consider the interests of any other Secured Creditors (other than the Noteholders) for such Series, provided that the Trustee determines that to do so would not be materially prejudicial to the Noteholders.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions specific to the Notes described in this Drawdown Prospectus, which complete, and should be read in conjunction with, the Terms and Conditions contained in the Base Prospectus.

1	Series Number:	2009-3
2	Specified Currency or Currencies:	Euro (“€” or “EUR”)
3	(i) Authorised Denominations:	€100
	(ii) Calculation Amount:	€100
4	Aggregate Principal Amount:	€120,000,000
5	(i) Issue Date:	6 November 2009
	(ii) Interest Commencement Date:	Not Applicable
6	Maturity Date:	9 November 2017 (the “ Scheduled Maturity Date ”), subject to adjustment in accordance with the Modified Following Business Day Convention, unless redeemed earlier in accordance with the terms of the Notes.
7	Interest Basis:	Not Applicable
8	Redemption/Payment Basis:	Unless previously purchased or redeemed, each Note shall be redeemed at the Final Redemption Amount on the Scheduled Maturity Date.
9	Change of Interest or Redemption Basis:	Not Applicable
10	Put/Call Options:	Not Applicable
11	Issue Price:	100 per cent. of the Aggregate Principal Amount
12	(a) Status of the Notes:	Unsubordinated, secured and limited recourse obligations
	(b) Pre-enforcement Waterfall:	The Pre-enforcement Waterfall shall be the same as the Other Priority as set out in paragraph 53 (<i>Application of Proceeds</i>) below.
13	Instructing Creditor:	Counterparty
14	Listing:	The Drawdown Prospectus has been approved by the Financial Regulator, as competent authority under the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. Application has also been made to Euronext Paris S.A. for the Notes to be listed and admitted to trading on

Euronext Paris.

However, there can be no assurance that such listing or admission to trading will be granted.

15 Method of Distribution Non Syndicated

RATING

16 Rating Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17 Fixed Rate Note Provisions Not Applicable

18 Floating Rate Note Provisions Not Applicable

19 Zero Coupon Note Provisions Not Applicable

20 Index/Formula-Linked Note Provisions Not Applicable

21 Dual Currency Note Provisions Not Applicable

22 Variable Coupon Amount Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION, PURCHASE AND EXCHANGE

23 Early Redemption Events:

(i) Underlying Disposal Event:

(a) Applicable grace periods (Condition 7(b)(i)(A)): Not Applicable. For the avoidance of doubt, Condition 7(b)(i)(A) shall not apply.

(b) Termination of Related Agreement (Condition 7(b)(i)(B)): Applicable

(c) Variation to early tax redemption provisions (Condition 7(b)(i)(C)): Not Applicable. For the avoidance of doubt, Condition 7(b)(i)(C)(z) shall not apply.

(ii) Early Redemption of Underlying Assets: Not Applicable

(a) Notice period if other than as set out in Condition 7(b)(ii): Not Applicable

24 Purchase at Issuer's Option: (Condition 7(c)) Applicable. If the Issuer has satisfied the Trustee that it has made arrangements for the purchase of the Notes and, to the extent that the Notes will be surrendered for cancellation, it has made arrangements for the realisation of no more than the equivalent proportion of the Underlying Assets, which transaction will leave the Issuer with no net liabilities in respect thereof, it may on any Floating Rate Payer

Payment Date (as defined in the Swap Agreement as defined below) purchase Notes (provided that they are purchased together with all unmatured Coupons related to them) in the open market or otherwise at any market price. Accordingly, the Trustee shall agree to release from the security created pursuant to the Security Documents such aggregate principal amount of Underlying Assets equal to the aggregate principal amount of the Notes purchased or to be purchased by the Issuer in order for those Underlying Assets to be sold by or on behalf of the Issuer to finance the purchase of such Notes and procure the transfer of such Underlying Assets from the Custody (Securities) Account (as defined in the Supplemental Trust Deed) to or to the order of the purchaser(s) thereof as directed by or on behalf of the Issuer.

Furthermore, in the event of such purchase of Notes, each of the Swap Transactions shall be adjusted by the Calculation Agent to the effect that the notional amount of any Swap Transaction (as defined below) relating to any of the Underlying Assets shall be reduced by an amount proportionate to the aggregate principal amount of Notes so purchased.

25	Redemption at the option of the Issuer:	Not Applicable
26	Redemption at the option/request of the Noteholders:	If the Issuer would be required to make a withholding on account of tax from any payment in respect of the Notes, the Noteholders shall have the option to require the Notes to be redeemed on a designated Early Redemption Date (as defined in paragraph 33 (<i>Early Redemption Amount</i>) below.
27	Termination of Related Agreement at the option of the Counterparty:	Not Applicable
28	Exchange Optional:	Not Applicable
29	Settlement Basis:	Cash Settlement (further particulars specified in paragraph 32 (<i>Final Redemption Amount</i>) and paragraph 33 (<i>Early Redemption Amount</i>) and Annex 1 (<i>Disposal of Defaulted Underlying Assets</i>).
30	Physical Settlement:	Not Applicable
31	Notes exchangeable for Notes of another	Not Applicable

Series:

32 Final Redemption Amount:

In respect of each Note, a pro rata share of an amount equal to the following:

(1) in the absence of the occurrence of any Underlying Asset Default in relation to the Underlying Assets (the Underlying Assets in such case, each a “**Non-Defaulted Underlying Asset**”) an amount equal to the Aggregate Principal Amount of the Notes multiplied by 58.31 per cent., which corresponds to an amount equal to the sum of (i) and (ii) where:

(i) is an amount equal to:

(A) the aggregate of the Underlying Asset Notional Amounts in respect of each Underlying Asset; multiplied by

(B) 100 per cent. plus the aggregate of the Underlying Assets Coupon Performance Percentages in respect of each Underlying Asset; and

(ii) is an amount equal to the Excess Amount, if any, where:

“**Excess Amount**” means the aggregate of any amount(s) received by the Counterparty under the Swap Transactions in excess of the scheduled interest amounts due in respect of any Underlying Asset in connection with the rating downgrade of the issuer of such Underlying Asset (pursuant to the offering document or other document incorporating the terms and conditions of such Underlying Asset on the issue date thereof, without taking into account any subsequent modification thereof); or

(2) if any Underlying Asset Default has occurred in relation to one or more of the Underlying Assets (the Underlying Asset in such case, the “**Defaulted Underlying Asset**”) an amount equal to the sum of (i), (ii) and (iii) where:

- (i) is an amount equal to:
 - (A) the aggregate of the Underlying Asset Notional Amounts in respect of each Non-Defaulted Underlying Asset; multiplied by
 - (B) 100 per cent. plus the aggregate of the Underlying Assets Coupon Performance Percentages in respect of each Non-Defaulted Underlying Asset;
- (ii) is an amount equal to the aggregate of the Capitalised Recovery Values in respect of each Defaulted Underlying Asset where:

“**Capitalised Recovery Value**” means the Recovery Value in respect of each Defaulted Underlying Asset plus accrued compounding interest thereon under the terms of the Investment Agreement.

“**Recovery Value**” means in respect of each Defaulted Underlying Asset an amount equal to (subject to a minimum of zero):

- (1) the net sale proceeds in respect of the Defaulted Underlying Asset; minus
- (2) the termination amount payable by either the Issuer to the Counterparty or the Counterparty to the Issuer in respect of the early termination of the Swap Transaction relating to the Defaulted Underlying Asset, such termination

amount (which for the avoidance of doubt, may be less than zero) being equal to an amount (if positive, being a loss to the Issuer or if negative, being a gain to the Issuer) that the relevant party reasonably determines in good faith to be its total losses and costs (or gain) in connection with the Swap Agreement or such terminated Swap Transaction, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or re-establishing any hedge or related trading position (or any gain resulting from any of them). Such amount shall also include losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date (as defined in the Swap Agreement) and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) of the Swap Agreement applies. A party may (but need not) determine the amount by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets; and

(iii) is an amount equal to the Excess Amount (as defined above), if any.

For purposes of hereof:

“Underlying Asset Default” means the occurrence of any of the following events in

respect of an Underlying Asset:

- (i) the failure of the underlying obligor to make a payment when and where due as scheduled; or
- (ii) a default, event of default or other similar condition (however described) in respect of the underlying obligor,

in each case pursuant to the offering document or other document incorporating the terms and conditions of such Underlying Asset on the issue date thereof, without taking into account any subsequent modification thereof.

“Underlying Asset Notional Amount” means in relation to each Underlying Asset, the values set out in the table below:

Underlying Asset	Underlying Assets Notional Amount
Underlying Assets A	EUR 30,000,000.00
Underlying Assets B	EUR 30,000,000.00
Underlying Assets C	EUR 30,000,000.00
Underlying Assets D	EUR 30,000,000.00

**Aggregate of all
Underlying Asset
Notional Amounts** **EUR 120,000,000.00**

“Underlying Assets Coupon Performance” means in relation to each Underlying Asset, the values set out in the table below:

Underlying Asset	Underlying Assets Coupon Performance Percentage
Underlying Assets A	13.662%
Underlying Assets B	15.538%
Underlying Assets C	14.382%
Underlying Assets D	14.728%

Aggregate of all
Underlying Assets
Coupon Performance
Percentages 58.31%

33 Early Redemption Amount: *Underlying Disposal Event or Event of Default:*

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7 (*Redemption, Purchase and Exchange*)):

Notwithstanding the provisions thereof, upon an early redemption of the Notes pursuant to Conditions 7(b)(i)(B) and (C) or Condition 10 (*Event of Default*), the Notes shall be redeemed on the Early Redemption Date by payment of a *pro rata* share of the Liquidation Amount, as determined by the Calculation Agent, as reduced by any termination payment due to the Counterparty under the Swap Agreement upon termination thereof and/or any payment due to the Investment Provider under the Investment Agreement upon termination thereof, payable in accordance with paragraph 53 (*Application of Proceeds*) below.

For the purposes hereof:

“**Early Redemption Date**” means five Business Days after the last day of the Settlement Period; and

“**Settlement Period**” means the period from and including the date of delivery of a notice (which the Calculation Agent shall promptly deliver) following an Early Redemption Event or Event of Default up until and including 30 Business Days thereafter.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | | |
|----|---|---|
| 34 | Form of Notes: | Bearer Notes: Temporary Global Note exchangeable for Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note. |
| 35 | Additional business days or other special provisions relating to payment for the purposes of Condition 8(g): | Not Applicable |
| 36 | Paying Agent/Registrar (if other than as specified in the Agency Agreement): | Not Applicable |
| 37 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 38 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price | Not Applicable |

and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:

- | | | |
|----|---|--|
| 39 | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 40 | Variation to provisions of Condition 10 (Events of Default): | Not Applicable |
| 41 | Other terms or special conditions (including any additional provisions relating to (a) enforcement of Prioritised Tranches and (b) conflicts of interest between Prioritised Tranches): | <p>Sub-paragraph (ii)(a) of Condition 14(a) (<i>Meetings of Noteholders, Modification, Waiver, Authorisation and Substitution</i>) shall be deleted and replaced with the following:</p> <p>“any modification of any of the provisions of the Trade Documents, Trust Deed or the Transaction Documents that is of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven, or to cure any ambiguity, inconsistency or defective provision, or is made, following receipt of a request from the Dealer, as a result of any comments raised by any stock exchange or competent authority in connection with an application to list or trade the Notes or in connection with passporting the Base Prospectus or this Drawdown Prospectus in accordance with Articles 17 and 18 of the Prospectus Directive; and”</p> |

DISTRIBUTION

- | | | |
|----|---------------------------------------|--|
| 42 | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Stabilising Manager (if any): | Not Applicable |
| 43 | If non-syndicated, name of Dealer: | CALYON |
| 44 | Additional selling restrictions: | <p>Republic of France</p> <p>Each of the Issuer and the Dealer has represented and agreed that it has not offered or sold, and will not offer or sell directly or indirectly any Notes in the Republic of France, and has not distributed and will not distribute or cause to be distributed in the Republic of France the Drawdown Prospectus or any other offering material relating to the Notes, except to (i) providers of investment services relating to portfolio management for the account of</p> |

third parties, and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in accordance with articles L. 411-2, D. 411-1 and following of the French Code *monétaire et financier*.

OPERATIONAL INFORMATION

45	ISIN Code:	XS0452867897
46	Common Code:	045286789
47	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable

RELATED AGREEMENTS AND SECURITY

48	Related Agreement:	Each of the following agreements: (1) an investment agreement dated on or about 6 November 2009 and made between CALYON as investment provider (the “ Investment Provider ”) and the Issuer (the “ Investment Agreement ”), as further described in the section headed “ <i>Description of the Investment Agreement</i> ” below; and (2) an agreement comprised of: (i) a 1992 ISDA Master Agreement dated on or about 6 November 2009 (including the Schedule thereto dated on or about 6 November 2009) (the “ ISDA Master Agreement ”) and made between CALYON as Party A and the Issuer as Party B; and (ii) four confirmations evidencing the terms of four zero coupon swap transactions each with an effective date of the Issue Date and each relating to a separate Underlying Asset (the “ Swap Transactions ” and each a “ Swap Transaction ” and together with the ISDA Master Agreement, the “ Swap Agreement ”) (further
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particulars as specified below).

49	Swap Counterparty:	CALYON
50	Swap Guarantor:	Not Applicable
51	Description of Swap Agreement:	Applicable. As further described in the section headed “ <i>Description of the Swap Agreement</i> ” below.
52	Date of termination of Swap Transactions:	The Scheduled Maturity Date
53	Application of Proceeds:	<p>Other Priority, as described below. On any realisation or enforcement of the security created by the Security Documents or any delivery of Underlying Assets as provided thereunder on any Early Redemption Date received or receivable by the Issuer or the Trustee in respect of the Underlying Assets the Liquidation Amount or, as the case may be, the Underlying Assets themselves and notwithstanding any other provision of the Terms and Conditions of the Notes or this Drawdown Prospectus, shall be applied in accordance with the following order of priority:</p> <p>(i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities properly incurred by the Trustee, the Custodian, each of the Agents, the Disposal Agent and any Receiver in relation to the Notes (including any taxes properly payable by the Trustee, the Custodian, each of the Agents, the Disposal Agent and any Receiver and required to be paid (other than those imposed on or calculated by reference to overall net income, profit or gain or recoverable value added tax) or payments to any third party the costs of realising any security (other than any “up front” and ongoing fees and expenses agreed between the Issuer and such parties on or before the Issue Date (“Agreed Expenses”))), whereby if the monies received by the Trustee are not sufficient to pay or satisfy such amounts in full, the Trustee shall apply such monies pro rata on the basis of the amount due to each party entitled to such payment;</p>

- (ii) second, in payment of any expenses of the Issuer incurred after the Issue Date which were not contemplated by the Issuer at the Issue Date, subject to an aggregate maximum amount of EUR 200,000 (or its equivalent in any other currency or currencies) in any calendar year (commencing from the Issue Date and each anniversary thereof);
- (iii) third, in meeting the claims (if any) of the Counterparty under the Swap Agreement and/or the Investment Provider under the Investment Agreement;
- (iv) fourth, rateably in meeting the claims (if any) of the holders of the Notes and Coupon. If the monies received by the Trustee are not sufficient to pay or satisfy such amounts in full, the Trustee shall apply such monies *pro rata* on the basis of the amount due to each party entitled to such payment;
- (v) fifth, in payment of any expenses of the Issuer referred to in paragraph (ii) of this paragraph 53 which are in excess of an aggregate maximum amount of EUR 200,000 (or its equivalent in any other currency or currencies) in any calendar year (commencing from the Issue Date and each anniversary thereof);
- (vi) sixth, in repayment to the relevant person of any amounts in relation to Agreed Expenses; and
- (vii) seventh, in payment of the balance (if any) to the Issuer.

54	Liquidation Amount:	As defined in Condition 4(d) (<i>Application of Proceeds</i>)
55	Substitution of Underlying Assets:	Not Applicable
56	Gross-up:	No
57	Security:	As described in the Euroclear pledge agreement dated on or about 6 November 2009 (the “ Euroclear Pledge Agreement ”, and a “ Supplemental Security Document ”), the Supplemental Trust Deed

dated on or about 6 November 2009 supplemental to the Principal Trust Deed (the “**Supplemental Trust Deed**” and together with the Supplemental Security Document, the “**Security Documents**”) prepared in connection with the issue of the Notes.

ADDITIONAL INFORMATION

- 58 Custodian: The Bank of New York Mellon, London
Branch
One Canada Square
London E14 5AL
England
- 59 Description of Underlying Assets:
- (a) EUR 30,000,000.00 in principal amount of senior, unsecured debt obligations of Accor S.A. (ISIN: FR0010784066) (the “**Underlying Assets A**”) as contained in Annex 2 Part 1 hereto - “Terms and Conditions of the Underlying Assets”;
 - (b) EUR 30,000,000.00 in principal amount of senior, unsecured debt obligations of LAFARGE S.A. (ISIN: FR0010784108) (the “**Underlying Assets B**”) as contained in Annex 2 Part 2 hereto - “Terms and Conditions of the Underlying Assets”;
 - (c) EUR 30,000,000.00 in principal amount of senior, unsecured debt obligations of Holcim Finance (Luxembourg) S.A. (ISIN: XS0441725347) (the “**Underlying Assets C**”) as contained in Annex 2 Part 3 hereto - “Terms and Conditions of the Underlying Assets”; and
 - (d) EUR 30,000,000.00 in principal amount of senior, unsecured debt obligations of PPR S.A. (ISIN: FR0010784082) (the “**Underlying Assets D**”) as contained in Annex 2 Part 4 hereto - “Terms and Conditions of the Underlying Assets”,

and together the Underlying Assets A, the Underlying Assets B, the Underlying Assets C and the Underlying Assets D shall be referred to as the “**Underlying Assets**” and

individually, each an “**Underlying Asset**”.

Each of the Underlying Assets are governed by the laws as indicated in the relevant Part of Annex 2.

60	Description of Issuers of Underlying Assets:	Applicable.
(i)	(a) Name:	Accor S.A.
	(b) Address:	2, rue de la Mare-Neuve 91000 Evry France
	(c) Country of Incorporation:	France
	(d) Nature of Business:	Accor S.A. operates hotel chains and offers human resources, marketing, and expense management services. The Company operates hotels ranging from budget to upscale worldwide.
	(e) Notional Amount:	EUR 30,000,000.00
	(f) Issue Date:	24 August 2009
	(g) Rating by S&P:	BBB
	(h) Name of market where securities are admitted to trading:	Euronext Paris
(ii)	(a) Name:	LAFARGE S.A.
	(b) Address:	61, rue des Belles Feuilles 75116 Paris France
	(c) Country of Incorporation:	France
	(d) Nature of Business:	LAFARGE S.A. supplies a wide range of building materials to contractors, wholesalers and manufacturers. It produces cement, aggregates, concrete and gypsum products and markets its products in Europe, Africa, Asia, North America and Latin America.
	(e) Notional Amount:	EUR 30,000,000.00
	(f) Issue Date:	6 November 2009
	(g) Rating by S&P:	BBB-
	(h) Name of market where securities are admitted to trading:	Euronext Paris

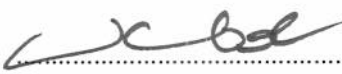
- | | | | |
|-------|-----------------|--|--|
| (iii) | (a) | Name: | Holcim Finance (Luxembourg) S.A. |
| | (b) | Address: | 21, rue Louvigny
1946 Luxembourg
Luxembourg |
| | (c) | Country of Incorporation: | Luxembourg |
| | (d) | Nature of Business: | Holcim Finance (Luxembourg) S.A.'s entire share capital is held directly or indirectly by Holcim Ltd., which produces building materials. Holcim Ltd. produces and markets ready-mixed concrete, cement, clinker and admixtures. Holcim Ltd. also provides consulting and engineering services in all areas of the cement manufacturing process. Holcim Ltd., through subsidiaries, operates cement manufacturing facilities around the world. |
| | (e) | Notional Amount: | EUR 30,000,000.00 |
| | (f) | Issue Date: | 27 July 2009 |
| | (g) | Rating by S&P: | BBB |
| | (h) | Name of market where securities are admitted to trading: | Luxembourg Stock Exchange |
| (iv) | (a) | Name: | PPR S.A. |
| | (b) | Address: | 10, avenue Hoche
75008 Paris
France |
| | (c) | Country of Incorporation: | France |
| | (d) | Nature of Business: | PPR S.A. is a retailer of consumer and household products, sporting goods, personal computers, lingerie and luxury goods. |
| | (e) | Notional Amount: | EUR 30,000,000.00 |
| | (f) | Issue Date: | 6 November 2009 |
| | (g) | Rating by S&P: | BBB- |
| | (h) | Name of market where securities are admitted to trading: | Euronext Paris |
| 61 | Redenomination: | | Not Applicable |

RESPONSIBILITY

Except for the information in the section headed “*Terms and Conditions of the Underlying Assets*” set out at Annex 2 hereto and in the section headed “*Description of the Counterparty*”, the Issuer accepts responsibility for the information contained in this Drawdown Prospectus. The Counterparty accepts

responsibility for the information contained in this Drawdown Prospectus in the section headed “*Description of the Counterparty*”. The information contained in the section headed “*Terms and Conditions of the Underlying Assets*” set out at Annex 2 hereto has been extracted from publicly available information. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By: .....
Duly authorised attorney

ANNEX 1

DISPOSAL OF DEFAULTED UNDERLYING ASSETS

The Conditions set out in the Second Schedule to the Principal Trust Deed shall be supplemented and modified by the following additional conditions.

1. **Disposal of Defaulted Underlying Assets**

For the purposes of disposing of any Defaulted Underlying Assets, the Issuer shall enter into a disposal agency agreement with CALYON as disposal agent (the “**Disposal Agent**”) dated on or about 6 November 2009 (the “**Disposal Agency Agreement**”), which shall constitute a Trade Document for the purposes of the Notes, as further described in the section headed “*Description of the Disposal Agency Agreement*”.

2. **Role of Disposal Agent**

On first becoming aware of the occurrence of any Underlying Asset Default, the Issuer or the Counterparty shall give notice thereof to the Issuer (if the Counterparty), the Counterparty (if the Issuer), the Custodian, the Disposal Agent and the Trustee. The Disposal Agent shall, acting as the agent of the Issuer and in accordance with the relevant provisions of the Trust Deed and the Disposal Agency Agreement, proceed to arrange for and administer the sale of the Defaulted Underlying Assets on behalf of the Issuer. For the avoidance of doubt, the Disposal Agent shall proceed to arrange for and administer the sale of the Defaulted Underlying Assets relating to the Notes immediately following the Underlying Asset Default. Any such sale may be without the consent of the Trustee and any Secured Creditors, including Noteholders.

For the avoidance of doubt, in arranging for the sale of any of the Defaulted Underlying Assets as referred to above, if the Disposal Agent is unable to sell all or any portion of the outstanding principal amount of the relevant Defaulted Underlying Asset in the Auctions (as defined in the Disposal Agency Agreement) for whatever reason after using reasonable efforts to effect such sale, the Disposal Agent, acting on behalf of the Issuer, may arrange for the sale of the remaining balance of the outstanding principal amount of the relevant Defaulted Underlying Assets to itself or any of its Affiliates (including, without limitation, the Counterparty) at a price in EUR, equal to the product of (a) 0.1 per cent.; and (b) the remaining balance of the outstanding principal amount of the relevant Defaulted Underlying Asset.

ANNEX 2

TERMS AND CONDITIONS OF THE UNDERLYING ASSETS ENGLISH TRANSLATION FOR INFORMATION PURPOSES ONLY

Part 1

Issuer	Accor S.A.
Trade date	16 July 2009
Issuer ratings	BBB outlook neg (S&P) / BBB- outlook stable (Fitch)
Issue ratings	BBB outlook neg (S&P) / BBB- outlook stable (Fitch)
Issue type	Fixed rate note
Status	Senior unsecured
Issue size	€250,000,000
Bookrunners	CALYON (unsyndicated)
Minimum denomination	€50,000 plus €50,000 multiples
Issue date	24 August 2009
Scheduled maturity date	6 November 2017
First coupon payment date	6 November 2009
Coupon	6.039%
Reoffer price	100%
Coupon payment date	Annually, the 6th of November of each year
Day count fraction	Actual/Actual
Business day convention	Following
Business centres	TARGET settlement day
Interest amount	Unadjusted
Redemption price	100%
Listing	Luxembourg Stock Exchange
ISIN code	FR0010784066
Documentation	Prospectus dated 20 August 2009 in respect of €250,000,000 6.039 per cent. Bonds due 2017
Governing law	French

Part 2

Issuer	LAFARGE S.A.
Trade date	16 July 2009
Issuer ratings	Baa3 outlook neg (Moody's) / BBB- outlook stable (S&P)
Issue ratings	Baa3 outlook neg (Moody's) / BBB- outlook stable (S&P)
Issue type	Fixed rate note
Status	Senior unsecured
Issue size	€150,000,000
Bookrunners	CALYON (unsyndicated)
Minimum denomination	€50,000 plus €50,000 multiples
Issue date	6 November 2009
Scheduled maturity date	6 November 2017
First coupon payment date	6 November 2010
Coupon	6.850%
Reoffer price	100%
Coupon payment date	Annually, the 6th of November of each year
Day count fraction	Actual/Actual
Business day convention	Following
Business centres	TARGET settlement day
Interest amount	Unadjusted
Redemption price	100%
Listing	Luxembourg Stock Exchange
ISIN code	FR0010784108
Documentation	Base Prospectus dated 14 April 2009 in respect of €9,000,000,000 Euro Medium Term Note Programme
Governing law	English

Part 3

Issuer	Holcim Finance (Luxembourg) S.A.
Trade Date	17 July 2009
Guarantor	Holcim Ltd.
Rating	Baa2 /BBB (S&P)/BBB (Fitch) stable/stable/negative
Dealers	J.P. Morgan Securities Ltd.
Form	Euro medium term note
Status	Senior, unsecured and unsubordinated
Issue size	€200,000,000
Minimum denominations	€50,000
Issue date	27 July 2009
Scheduled maturity date	6 November 2017
First coupon date	6 November 2009
Coupon	6.351%, annually
Reoffer price	100%
Business day centres	TARGET settlement day, London
Business days convention	Following, unadjusted
Day count fraction	Actual/Actual
Listing	Luxembourg Stock Exchange
ISIN code	XS0441725347
Documentation	Prospectus dated 14 March 2009 and Prospectus Supplement dated 24 June 2009 in respect of €3,000,000,000 Euro Medium Term Note Programme
Governing law	English

Part 4

Issuer	PPR S.A.
Trade date	16 July 2009
Issuer ratings	BBB- stable (S&P)
Issue ratings	BBB- stable (S&P)
Issue type	Fixed rate note
Status	Senior unsecured
Issue size	€200,000,000
Bookrunners	CALYON (unsyndicated)
Minimum denomination	€50,000 plus €50,000 multiples
Issue date	6 November 2009
Scheduled maturity date	6 November 2017
First coupon payment date	6 November 2010
Coupon	6.5%
Reoffer price	100%
Coupon payment date	Annually, the 6th of November of each year
Day count fraction	Actual/Actual
Business day convention	Following
Business centres	TARGET settlement day
Interest amount	Unadjusted
Redemption price	100%
Listing	Luxembourg Stock Exchange
ISIN code	FR0010784082
Documentation	Base Prospectus dated 10 December 2008 in respect of €5,000,000,000 Euro Medium Term Note Programme Due from one month from the date of original issue
Governing law	French

USE OF PROCEEDS

The net proceeds of the issue of the Notes amounts to €120,000,000 and will be used by the Issuer to purchase the Underlying Assets (as described in paragraph 59 (*Description of Underlying Assets*) of the Terms and Conditions of the Notes above).

FRENCH TAX CONSIDERATIONS

The payment of interest and the redemption of the Notes will be operated after deduction of the withholding taxes, if any, applicable under the laws in force in France.

The Note Holders, be they individuals or legal entities, should verify the taxation applicable to their particular situation. The Note Holders should be aware that the information provided in this document is merely a summary of the applicable French income tax regime or French corporate income tax regime and that they should consult their own tax advisors in order to determine the tax consequences which apply to them when purchasing, holding and disposing of the Notes. The wealth tax consequences of the purchase of the Notes are not examined in this prospectus.

The persons who are not French tax residents should comply with the tax law in force in their country of residence.

Tax regime applicable to French tax residents

1. Individuals holding the Notes as private assets

a) Income

Under the laws, regulations and administrative guidelines now in force in France, the income derived from Notes (interest and redemption premium, as set out in article 238 septies A of the French Tax Code (“**FTC**”)) held as private assets by individuals who are French tax residents are subject to income tax:

- (i) either at the progressive income tax rate;
- (ii) or, upon election, to an 18% withholding tax (article 125 A of the FTC as modified by the Finance law for 2008).

In addition the income (interest and redemption premium) will also be taxed to:

- (a) the contribution sociale généralisée of 8.2% (articles L136-7 and L136-8 of the French social security code);
- (b) a social tax of 2% (articles L245-14 to L245-16 of the French social security code);
- (c) a 0.3% additional contribution to the social tax (article L14-10-4,2° of the French family social action code);
- (d) a 1.1% additional contribution to the social tax (article L262-24, III of the French family social action code);
- (e) a 0.5% contribution for the reimbursement of the social debt (article 1600-0 I and 1600-0 L of the FTC).

As a result, if the option for the 18% withholding tax is used, the global rate of taxation will be 30.1%.

Since January 1, 2007, social contributions are withheld by the paying institution regardless of the option for income tax chosen by the investor (progressive income tax rate or option for withholding tax).

If the income is subject to the progressive income tax rate, a portion of the contribution sociale généralisée is deductible from the basis of income tax for the year of payment (article 154 quinquies II of the FTC).

b) Capital gains

Under the laws, regulations and administrative guidelines now in force in France, capital gains (including accrued coupons interest) realized at the date of disposal of the Notes by French tax residents are taxable when their overall annual amount of sales of securities exceeds a threshold of 25,730 euros per tax household for the sales realized as from January 1, 2009 (articles 150-0 A and 150-0 D of the FTC). This threshold is updated every year.

Capital gains are taxable at the rate of 18% (article 200 A 2 of the FTC as modified by the Finance law for 2008) plus:

- (a) the contribution sociale généralisée of 8.2% (articles L136-7 and L136-8 of the French social security code);
- (b) a social tax of 2% (articles L245-14 to L245-16 of the French social security code);
- (c) a 0.3% additional contribution to the social tax (article L14-10-4,2° of the French family social action code);
- (d) a 1.1% additional contribution to the social tax (article L262-24, III of the French family social action code);
- (e) a 0.5% contribution for the reimbursement of the social debt (article 1600-0 I and 1600-0 L of the FTC).

As a result, the overall rate of taxation will be 30.1%.

c) Capital losses

Capital losses can be offset against capital gains of the same nature realized during the same year, or during the following ten years, provided that the amount of sales of securities during the year in which the capital loss was realized is higher than the above-mentioned threshold of 25,730 euros.

2. Legal entities subject to corporate income tax

a) Income

The accrued income from the Notes (interest and redemption premium) held by legal entities established in France are taken into consideration for the calculation of their taxable income.

Interest payments are taxed in the year in which they are accrued.

The redemption premium corresponds to the difference between (i) the redemption amount to be received, with the exception of linear interest (“intérêts linéaires”) received on a yearly basis and (ii) the amount paid for the subscription or the purchase (article 238 septies E of the FTC).

On the other hand, non-linear interest is considered to be part of the redemption premium.

If the redemption premium exceeds 10% of the subscription price and if the issue price is lower than 90% of the redemption amount, the taxation of the premium will have to be spread over the life period of the Notes; The portion of the redemption premium and interest (including linear interest, if any, paid on a yearly basis) that have to be included in the taxable income of every fiscal year is computed by applying the actuarial interest rate determined at the subscription or acquisition date to the subscription or acquisition price. The subscription or acquisition price is then increased by the portion of the redemption premium and interest, capitalized as of the anniversary date of the Note.

In other cases, the redemption premium is taxable at the time the premium is paid.

Accrued coupons interest and redemption premiums are taxable at the corporate income tax rate of 33 1/3 % (or at the reduced rate of 15% on a maximum €38,120 profit threshold, if applicable, pursuant to the conditions set forth in article 219 1 b) of the FTC).

Moreover, a social contribution of 3.3% is applicable pursuant to article 235 ter ZC of the FTC. This contribution is based on the amount of corporate income tax, less a deduction of a maximum of 763,000 euros per fiscal year. The companies with a turnover (excluding taxes) of less than 7,630,000 euros and which comply with the conditions for shareholding provided in the article 235 ter ZC of the FTC are not subject to this social contribution.

b) Capital gains

Under the laws, regulations and administrative guidelines now in force in France, capital gains (excluding accrued coupon interest) realized as of the date of disposal of the Notes are taken into consideration for the calculation of taxable income.

The amount of the gain or loss is equal to the difference between (i) the sale price less, if applicable, the portions of the redemption premium that have already been taxed and (ii) the subscription or acquisition price of the Notes.

If a capital gain is realized, it will be subject to corporate income tax as described above. If a capital loss is realized, it will be deductible from the taxable income.

3. Legal entities carrying out commercial activity subject to income tax

a) Income

Applicable rules for the taxation of interest and the redemption premium are the same as the one described above for corporate income tax purpose.

However, legal entities may deduct the interest from their professional income while such interest will be declared at the level of their shareholders, as capital income.

When the shareholders are individuals, such income will be subject to income tax and social contributions as described above (see section 1) a)).

b) Capital gains

If the shareholders are individuals or legal entities subject to income tax, and if the Notes have been held for more than two years, any capital gain, after deduction of long-term capital losses, if any, will be considered to be long-term professional capital gain taxed at a rate of 16% (article 39 quinquies of the FTC) increased by 12.1% of social contributions (with the overall rate being 28.1%). If the Notes were not held for more than two years, any capital gain will be taxed as a standard taxable result (taxation at the progressive rate and application of social contributions).

If the shareholders are legal entities subject to corporate income tax, any capital gain will be subject to corporate income tax as described above (see section 2. b)).

Long-term capital losses can be offset from long-term capital gains realized during the following ten fiscal years.

Tax regime applicable to non French tax residents

a) Income

Pursuant to articles 125 A III and 131 quater of the FTC, interest and redemption premiums paid under Notes issued in euros are exempted from withholding tax and are not subject to social contributions.

b) Capital gains

Capital gains derived from the disposal of the Notes by non residents for French tax purposes, as described in article 4 B of the FTC, or by legal entities which are not established in France (without any permanent establishment in France having the Notes as assets) are not subject to taxation in France (article 244 bis C of the FTC and applicable tax treaties).

DESCRIPTION OF THE SWAP AGREEMENT

The following description of the Swap Agreement consists of a summary of certain provisions of the Swap Agreement and is qualified by reference to the detailed provisions thereof. The following does not purport to be complete and prospective investors must refer to the Swap Agreement itself for detailed information regarding the terms thereof. A copy of the Swap Agreement may be inspected at the registered office of the Issuer as set out in the section entitled General Information.

Payments under the Swap Agreement

Under a 1992 ISDA Master Agreement dated on or about 6 November 2009 (including the Schedule thereto dated 6 November 2009) (the “**ISDA Master Agreement**”), the Issuer and the Counterparty have entered into four confirmations in connection with the issue of the Notes, each with an effective date of the Issue Date, and evidencing the terms of four zero coupon swap transactions, each relating to a separate Underlying Asset (the “**Swap Transactions**” and each a “**Swap Transaction**”, and together with the ISDA Master Agreement, the “**Swap Agreement**”).

Under each Swap Transaction relating to an Underlying Asset; the Issuer will (i) pay to the Counterparty periodic amounts equal to all interest amounts due and payable in respect of the relevant Underlying Asset (pursuant to the offering document or other document incorporating the terms and conditions of the Underlying Assets on the Issue Date thereof without taking into account any subsequent modification thereof) and (ii) receive from the Counterparty a single amount on the termination date of the Swap Transaction equal to the product of the Notional Amount of the Swap Transaction (which corresponds to the outstanding principal amount of the relevant Underlying Asset on the Issue Date of the Notes) and a bond performance amount percentage corresponding to the relevant Underlying Asset, such amounts as may be adjusted by the Calculation Agent following a purchase at the Issuer’s Option pursuant to Condition 7(c) (*Purchase*).

Termination of the Swap Agreement

Except as stated in the following paragraphs, each Swap Transaction shall terminate on 9 November 2017.

The Swap Agreement (including all Swap Transactions thereunder) may be terminated in accordance with the terms thereof, among other circumstances:

- (i) if at any time the Trustee gives notice to the Issuer in accordance with Condition 10 (*Event of Default*) that the Notes are immediately due and repayable;
- (ii) if an Underlying Disposal Event under Condition 7(b)(i)(B) or (C) occurs;
- (iii) 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 (in the case of the Counterparty) perform any obligation, under the Swap Agreement and such event is not as a result of any Underlying Asset Default with respect to the relevant Underlying Asset to which a Swap Transaction relates; and
- (iv) if withholding taxes are imposed on payments made either by the Issuer or by the Counterparty under the Swap Agreement or it becomes illegal for either party to perform its obligations under the Swap Agreement (see “*Transfer to avoid Termination Event*” below).

In addition to the foregoing, the Swap Agreement may also be terminated upon the occurrence of certain other standard events as defined in the ISDA Master Agreement (including Failure to Pay or Bankruptcy). Each Swap Transaction may also be terminated upon the occurrence of an Additional Termination Event in respect thereof being the occurrence of any Underlying Asset Default, with respect to the relevant Underlying Asset to which such Swap Transaction relates.

Consequences of Early Termination in Whole

Upon any early termination of the Swap Agreement, or a Swap Transaction, as the case may be, in the circumstances set out in sub-paragraphs (i) to (iv) and the immediately succeeding paragraph above, the Issuer or the Counterparty may be liable to make a termination payment to the other (regardless, if applicable, of which of such parties may have caused such termination).

Pursuant to Section 6(e) (*Payments on Early Termination*) of the Swap Agreement, such termination payment will be an amount equal to an amount (if positive, being a loss to the Issuer, or if negative, being a gain to the Issuer) that the relevant party reasonably determines in good faith to be its total losses and costs (or gain) in connection with the Swap Agreement or the terminated Swap Transaction, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them). Such amount shall also include losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date (as defined in the Swap Agreement) and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) applies. A party may (but need not) determine the amount by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets.

Consequences of Purchase of Notes

As a consequence of a purchase of Notes by the Issuer pursuant to paragraph 24 (*Purchase at Issuer's Option*) of the Terms and Conditions of the Notes above, the notional amounts in respect of which fixed and/or floating amounts are payable by the Issuer and Counterparty under each Swap Transaction will be adjusted by the Calculation Agent.

Taxation

The Issuer is not obliged under the Swap Agreement to gross up if withholding taxes are imposed on payments made by it under the Swap Agreement.

General

Except as stated under “Transfer to avoid Termination Event” and “Counterparty Optional Transfer” below, neither the Issuer nor the Counterparty are, save for the assignment by way of security in favour of the Trustee under the Trust Deed, permitted to assign, novate or transfer as a whole or in part any of their rights, obligations or interests under the Swap Agreement.

Transfer to avoid Termination Event

The ISDA Master Agreement provides that if withholding taxes are imposed on payments made by the Issuer or the Counterparty under the Swap Agreement or if an Illegality (as defined in the Swap Agreement) occurs in respect of a party (the “**Affected Party**“), then such party will use all reasonable efforts to transfer within 20 days after the notice of such withholding tax or Illegality affecting it all of its interest and obligations under the Swap Agreement to another entity, whether or not in the same tax jurisdiction as the Issuer, as would not have any obligation to withhold or deduct (if the Issuer is or would be required to make such deduction or withholding) or to which the Counterparty would be entitled to make payments free from the relevant deduction or withholding (if the Counterparty is or would otherwise be required to make such withholding or deduction).

If the Affected Party is not able to make such transfer it will give notice to the other party to that effect within a 20 days period whereupon the other party may effect such transfer within 30 days after the notice of such withholding tax or Illegality. Any transfer will be subject to and conditional upon the prior consent of the other party, which consent may not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

Counterparty Optional Transfer

The Counterparty may transfer any rights and obligations under any of the Swap Agreement without the prior written consent of the Issuer, provided that, other than pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity the relevant transferee accedes to the relevant Trust Deed(s) to the extent of the rights and obligations of the Counterparty thereunder which relate to the rights and obligations of the Counterparty under the Swap Agreement(s) which are the subject of the relevant transfer. Upon such transfer the Counterparty shall be fully released from any and all obligations to the Issuer in connection with the Swap Agreement and any Swap Transactions entered into thereunder.

Under the Swap Agreement, the Issuer may not assign its rights and benefits in respect of the Swap Agreement except to the Trustee by way of security pursuant to the Trust Deed.

DESCRIPTION OF THE COUNTERPARTY

CALYON is a limited liability company incorporated in France as a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 9 Quai du Président Paul Doumer, 92920 Paris La Défense Cedex, Paris (France). CALYON is registered at the Trade and Commercial Register of Nanterre (France) under the number 304 187 701.

CALYON is subject to Articles L. 225-1 et seq. of Book 2 of the Commercial Code. As a credit institution, CALYON is subject to Articles L. 511-1 et seq. and L. 5531-1 et seq. of the Monetary and Financial Code.

As of 28 January 2009, CALYON's shareholders' capital amounted to €6,055,504,839 divided into 224,277,957 fully paid up shares of €27 each. CALYON's share capital is directly owned more than 95.28% by Crédit Agricole S.A. and 99% by entities of the Crédit Agricole Group.

CALYON is the corporate and investment banking arm of the Crédit Agricole Group. CALYON offers banking services to its customers on a global basis. Its two main activities are wholesale banking and capital markets and investment banking. Wholesale banking covers corporate lending and loan syndication, project finance, acquisition finance, aircraft and ship finance, export and trade finance and real estate finance. Capital markets and investment banking covers treasury and liquidity management, fixed income, foreign exchange and commodity derivatives, credit markets, equity derivatives, mergers and acquisitions, equity capital markets and equity brokerage. CALYON also runs an international private banking business in Europe out of Switzerland, Luxembourg and Monaco.

At the date of this Prospectus, the long term unsecured, unsubordinated and unguaranteed obligations and the short term unsecured, unsubordinated and unguaranteed obligations of CALYON are rated as follows:

	SHORT TERM	LONG TERM	UPDATE
Moody's Investors Service Inc.	Prime-1	Aa3 (with negative outlook)	4 February 2009
Fitch Ratings Limited	F1 +	AA- (with stable outlook)	8 August 2008
S&P	A-1+	AA- (with stable outlook)	20 January 2009

Any further information on CALYON can be obtained on CALYON's website at www.calyon.com.

DESCRIPTION OF THE DISPOSAL AGENCY AGREEMENT

The following description of the Disposal Agency Agreement consists of a summary of certain provisions of the Disposal Agency Agreement and is qualified by reference to the detailed provisions thereof. The following does not purport to be complete and prospective investors must refer to the Disposal Agency Agreement itself for detailed information regarding the terms thereof. A copy of the Disposal Agency Agreement may be inspected at the registered office of the Issuer as set out in the section entitled General Information.

Appointment and Duties of the Disposal Agent

The Issuer will enter into the Disposal Agency Agreement with the Disposal Agent on the Issue Date. Pursuant to the Disposal Agency Agreement, the Issuer has appointed the Disposal Agent to carry out the functions as described below.

Under the Disposal Agency Agreement, the Issuer has delegated to the Disposal Agent the authority to carry out its functions as described therein without the requirement for specific approval by the Issuer and the Disposal Agent will have all authority and powers as are reasonably incidental to the performance of its obligations thereunder.

Under the Disposal Agency Agreement, the Disposal Agent (acting for or on behalf of the Issuer) is responsible for certain functions including (but not limited to) executing the disposal of the Underlying Assets in relation to which any Underlying Asset Default has occurred, subject to compliance with the applicable provisions of the Trust Deed and the Disposal Agency Agreement.

The obligations of the Disposal Agent under the Disposal Agency Agreement are owed only to the Issuer. The Disposal Agent does not have any obligations or responsibilities to the Noteholders or the Trustee and does not owe any fiduciary duties to the Issuer.

Dealer Auction

Pursuant to the terms of the Disposal Agency Agreement, on the third Business Day following receipt by the Disposal Agent pursuant to Additional Condition 2 (*Role of Disposal Agent*) of notice from the Issuer or the Counterparty of the occurrence of an Underlying Asset Default in relation to an Underlying Asset (an “**Underlying Asset Default Notice**”), the Disposal Agent shall attempt to obtain firm bids for an amount of the relevant Defaulted Underlying Asset equal to the outstanding principal amount of such Defaulted Underlying Asset from five or more active dealers in the same type of obligation as the Underlying Asset (each bid a “**Full Quotation**”).

If the Disposal Agent is unable to obtain two or more Full Quotations, it shall use its reasonable efforts to obtain two or more Full Quotations on the same Business Day within three Business Days of the initial valuation date, then on the next Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day after the initial valuation date) the Disposal Agent shall attempt to obtain Full Quotations from five or more dealers and, if two or more Full Quotations are not available, an Aggregated Full Quotation (as defined below). If the Calculation Agent is unable to obtain two or more Full Quotations or an Aggregated Full Quotation on the same Business Day by the tenth Business Day following the initial valuation date, the Defaulted Underlying Asset shall be sold to the dealer that provided the highest Full Quotation on the tenth Business Day (the “**Dealers Auction Cut-Off Date**”) or, if no Full Quotation is obtained, to the dealer(s) providing the highest Partial Quotations (as defined below), respectively, on such Business Day with respect to the aggregate portion of the Defaulted Underlying Asset for which an Aggregated Full Quotation was obtained.

If neither a Full Quotation nor an Aggregated Full Quotation is obtained, a Noteholder Auction (as defined below) shall be arranged and administered by the Disposal Agent as described below, in respect of the relevant Defaulted Underlying Asset.

“Aggregated Full Quotation” means, in respect of a Defaulted Underlying Asset, an aggregate of the Partial Quotations in respect of the relevant Defaulted Underlying Asset obtained by the Disposal Agent on any Business Day which in aggregate are approximately equal to the outstanding principal amount of such Defaulted Underlying Asset.

“Noteholder Auction” means an auction arranged and administered by the Disposal Agent for the purposes of the disposal of the relevant Defaulted Underlying Asset pursuant to the provisions of the Disposal Agency Agreement.

“Partial Quotation” mean, in respect of a Defaulted Underlying Asset, each firm bid in respect of the relevant Defaulted Underlying Asset which is for an amount of the relevant Defaulted Underlying Asset less than the outstanding principal amount of such Defaulted Underlying Asset.

Noteholder Auction

Within three Business Days following the Dealers Auction Cut-Off Date and provided that the Disposal Agent could not sell the outstanding principal amount of the relevant Defaulted Underlying Asset by way of a Dealer Auction as described above, the Disposal Agent shall be required to provide Noteholders with notice via the relevant Clearing Systems of a Noteholder Auction in respect of the Defaulted Underlying Asset in which Noteholders may participate subject to the terms and conditions of this Agreement (the **“Noteholder Auction Notice”**).

Disposal Agent acting in its sole discretion may chose a date on which a Noteholder Auction is scheduled to occur (such date being the **“Noteholder Auction Date”**), provided that it shall be a Business Day falling no earlier than three Business Days, and no later than ten Business Days, following the delivery of the Noteholder Auction Notice to the relevant Clearing Systems.

Any Noteholder who fails to provide the Disposal Agent by the Noteholder Auction Participation Cut-off Date with a Noteholder Participation Notice shall be deemed to have irrevocably waived its right to participate in the relevant Noteholder Auction and such Noteholder will not be permitted to participate in the relevant Noteholder Auction.

Termination of Appointment of the Disposal Agent

The Disposal Agent may be removed by the Issuer if (i) at any time the Disposal Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver, administrator or other similar official of all or any substantial part of its property or admits in writing its inability to pay or to meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for its winding-up or dissolution, or if a receiver, administrator or other similar official of itself or all or any substantial part of its property is appointed, or if an order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency laws, or if any public officer takes charge or control of it or its property or affairs for the purpose of rehabilitation, conservation or liquidation; or (ii) it fails duly to perform any act required to be performed by it under the Disposal Agency Agreement and the Issuer gives it notice that it intends to appoint a replacement disposal agent meeting the requirements set out in the Disposal Agency Agreement.

Resignation of the Disposal Agent

The Disposal Agent may resign its appointment under the Disposal Agency Agreement at any time by giving prior written notice to the Issuer (which notice shall not expire less than 30 days before or after the relevant Disposal Date). If the Disposal Agent is unable or unwilling or otherwise fails to act or its appointment is terminated as provided in the immediately preceding paragraph above, the Issuer shall immediately appoint a leading bank or financial institution to act as its successor. No resignation by the Disposal Agent shall take effect, nor may the Disposal Agent be removed, until a replacement disposal agent has been appointed by the Issuer whose identity has been approved by the Trustee (such approval not to be unreasonably withheld). The Issuer agrees with the Disposal Agent

that if, by the day falling 10 days before the expiry of any notice under the Disposal Agency Agreement, the Issuer has not appointed a replacement disposal agent, the Disposal Agent shall be entitled, on behalf of the Issuer, to appoint a disposal agent in its place meeting the requirements set out above to which neither the Trustee nor the Issuer shall have any reasonable objection.

DESCRIPTION OF THE INVESTMENT AGREEMENT

The following description of the Investment Agreement consists of a summary of certain provisions of the Investment Agreement and is qualified by reference to the detailed provisions thereof. The following does not purport to be complete and prospective investors must refer to the Investment Agreement itself for detailed information regarding the terms thereof. A copy of the Investment Agreement may be inspected at the registered office of the Issuer as set out in the section entitled General Information.

The Issuer will enter into the Investment Agreement with the Investment Provider on the Issue Date. Pursuant to the Investment Agreement, the Issuer will invest the Recovery Value (if any) in respect of a Defaulted Underlying Asset (and the applicable compounded Investment Yield (as defined below) accrued thereon) with the Investment Provider (the “**Investment**”). In consideration of the payment of the Investment by the Issuer to the Investment Provider, the Investment Provider shall pay to the Issuer on the Scheduled Maturity Date of the Notes compounding interest on the Investment accrued at a benchmark rate plus or minus a liquidity margin to the Investment Provider as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner at the time of the early termination of any Swap Transaction in respect of the related Defaulted Underlying Asset, for each day of the relevant investment period, provided that the applicable rate on the second Business Day prior to the Scheduled Maturity Date or any Early Redemption Date shall be deemed to be the rate applicable on the following Business Day (the “**Investment Yield**”).

The Investment will be liquidated to the extent necessary to fund redemption of any Notes.

All payments of principal or interest pursuant to the Investment Agreement shall be made in EUR, for value the due date thereof and free of any set off or counterclaim or any deduction or withholding or amount of any tax, save as required by applicable law or regulation provided that if any such set off or counterclaim is required by law, then the Investment Provider shall pay such additional amount as is necessary to ensure that the net amount received by the Investor will equal the full amount the Investor would have received had no such set off or counterclaim occurred.

The scheduled payment of principal and interest made by the Investment Provider to the Issuer pursuant to the Investment Agreement shall be paid to the Principal Paying Agent on behalf of the Issuer for distribution to the holders of the Notes.

The Investment Agreement shall terminate in full upon the liquidation of the Investments in full on or prior to the Scheduled Maturity Date.

DESCRIPTION OF THE SECURITY

The Security in respect of the Notes is constituted by an amended and restated principal trust deed dated 28 May 2009 made between, inter alios, PREMIUM Finance and the Trustee, as acceded to by the Issuer by way of a deed of accession dated 28 May 2009 between, inter alios, the Issuer and the Trustee (as amended and restated from time to time) (the “**Principal Trust Deed**”) relating to the Programme as supplemented by the supplemental trust deed dated on or about 6 November 2009 (the “**Supplemental Trust Deed**”) between, inter alios, the Issuer, the Trustee and the Custodian (the Supplemental Trust Deed together with the Principal Trust Deed, the “**Trust Deed**”) and the Supplemental Security Document.

The Supplemental Trust Deed comprises:

- (a) a first fixed charge over charge the Underlying Assets;
- (b) an assignment by way of security of all of the Issuer’s rights attaching to or relating to the Underlying Assets and all sums derived therefrom including without limitation any right to delivery thereof 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;
- (c) an assignment by way of security the Issuer’s rights, title and interest against the Custodian, to the extent that they relate to the Underlying Assets and/or the proceeds of sale of any such Underlying Assets;
- (d) an assignment by way of security of the Issuer’s rights, title and interest against the Investment Provider, to the extent that they relate to the Investment Agreement;
- (e) an assignment by way of security the Issuer’s rights, title and interest against the Disposal Agent, to the extent that they relate to the Underlying Assets and/or the proceeds of sale of any such Underlying Assets;
- (f) an assignment by way of security of the Issuer’s rights, title and interest under the Transaction Documents, the Sale Agreement, the Investment Agreement and the Disposal Agency Agreement, to the extent that they relate to the Notes;
- (g) an assignment by way of security of the Issuer’s rights, title and interest under the Swap Agreement and in respect of any sums received thereunder; and
- (h) a charge by way of first fixed charge over (i) all sums and/or securities held by the Principal Paying Agent and/or the Custodian and/or the Investment Provider to meet payments and/or deliveries due in respect of the obligations and duties of the Issuer under the Trust Deed, the Notes, the Sale Agreement, the Investment Agreement and the Swap Agreement, (ii) any sums received by the Principal Paying Agent under the Swap Agreement and (iii) all sums and/or securities (including interest (if any)) now or in the future standing to the credit of or accrued or accruing on the Custody (Securities) Account (if any) and/or the Custody (Cash) Account (each as defined in the Supplemental Trust Deed).

The security created pursuant to the Trust Deed shall become enforceable and shall be enforced as described in the Terms and Conditions of the Notes and the provisions of the Trust Deed.

The Supplemental Security Document comprises a Belgian law pledge over the Underlying Assets held by the Custodian for or on behalf of the Issuer in Euroclear and granted in favour of the Trustee as security for, amongst others, the due payment and discharge of the Issuer’s obligations to the Secured Creditors in respect of the Notes. Such Underlying Assets will be held through an account in the name of the Custodian with Euroclear (the “**Custody (Securities) Account**”), and which is a special account specifically opened for the purpose of holding collateral, in accordance with article 4, §1, of the Collateral Law and article 5 of the Belgian Royal Decree Nr. 62.

The security created pursuant to the Supplemental Security Document shall become enforceable in accordance with the provisions of the Trust Deed. The effect of this security interest will be to, amongst others, enable the Trustee, on enforcement, to sell the pledged securities in accordance with the procedure set out in article 8, section 1 of the Belgian Law of 15 December 2004 on Financial Collateral, i.e. pursuant to the rules of Belgian law and without the need of a prior authorisation from the Belgian courts.

The proceeds of any enforcement of the Security will be credited to the account of the Trustee for the purposes of payment of any sums due to, among others, the Counterparty and the Noteholders under the Swap Agreement and the Notes, respectively, in accordance with Other Priority as set out in paragraph 53 (*Application of Proceeds*) of the Terms and Conditions of the Notes above.

GENERAL INFORMATION

1. The Drawdown Prospectus has been approved by the Financial Regulator, as competent authority under the Prospectus Directive. The Financial Regulator only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. Application has also been made to Euronext Paris S.A. for the Notes to be listed and admitted to trading on Euronext Paris Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.
2. This Drawdown Prospectus shall be available on the Irish Financial Services Regulatory Authority's website (*www.financialregulator.ie*).
3. The Notes have been accepted for clearance through Clearstream, Luxembourg and Euroclear with the Common Code number of 045286789. The International Securities Identification Number (ISIN) for the Notes is XS0452867897. The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium. The address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.
4. The issue of the Notes has been authorised pursuant to a decision of the Board of Directors of the Issuer dated on 23 September 2009.
5. Since the date of its incorporation, the Issuer has not commenced operations other than its accession into the Programme and has not produced accounts. The financial year of the Issuer ends on 31 March in each year. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 March 2010 and will be filed with the Irish Stock Exchange by no later than 31 July 2010. The Issuer will be required to prepare interim financial statements as of 30 September 2009 and these will need to be filed with the Irish Stock Exchange and Euronext Paris S.A. by no later than 30 November 2009.
6. The auditors of the Issuer are Deloitte & Touche of Earlsfort Terrace, Dublin 2, Ireland who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland and registered auditors qualified to practise in Ireland.
7. The Issuer is not, and has not been involved in any governmental litigation or arbitration proceedings (including such proceedings which are pending or threatened of which the Issuer is aware) since the date of its incorporation which may have or have had since such date a significant effect on the financial position or profitability of the Issuer.
8. For so long as any of the Notes are outstanding, the following documents will be available in physical form during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and collection free of charge, at the specified office each of the Paying Agents:
 - (i) the Principal Trust Deed;
 - (ii) the Supplemental Trust Deed;
 - (iii) the Supplemental Security Document;
 - (iv) the Swap Agreement;
 - (v) the Custody Agreement;
 - (vi) the Agency Agreement;

- (vii) the Disposal Agency Agreement;
 - (viii) the Investment Agreement;
 - (ix) this Drawdown Prospectus;
 - (x) the Base Prospectus;
 - (xi) the Memorandum and Articles of Association of the Issuer;
 - (xii) the ISDA Master Agreement between the Issuer and CALYON; and
 - (xiii) the Sale Agreement.
9. Save as discussed under “*Subscription and Sale*” in the Base Prospectus, as far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.
 10. The Issuer does not intend to provide post-issuance transaction information with respect to the Notes, the Underlying Assets or the issuer of the Underlying Assets.
 11. The total expenses related to admission to trading of the Notes on the regulated market of the Irish Stock Exchange and admission of the Notes to trading on Euronext Paris are estimated at €10,000.
 12. Save as disclosed herein there has been no material adverse change in the prospects of the Issuer, nor significant change in the financial or trading position of the Issuer since 21 May 2009, the date of its incorporation.
 13. Save as disclosed herein there has been no material change or recent development which could affect investors’ assessments relating to the Notes since 28 May 2009, the date of the latest Base Prospectus of the Issuer.

REGISTERED OFFICE OF THE ISSUER

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CALCULATION AGENT AND DISPOSAL AGENT

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PAYING AGENT

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