

Base Prospectus
of
TIMBERLAND SECURITIES SPC

(incorporated as an exempted limited liability segregated portfolio company under the laws of the Cayman Islands)

for the Issuance of
Limited Recourse Index-Linked Bearer Notes and Limited Recourse Index-Linked Registered Notes

dated

5 December 2018

In accordance with the Liechtenstein law relating to securities prospectuses dated 23 May 2007 as amended (*Wertpapierprospektgesetz*) (the **Liechtenstein Securities Prospectus Act**), this Base Prospectus was approved by the Liechtenstein Financial Market Authority (the **FMA**) as the competent authority in Liechtenstein (the **Competent Authority**) in accordance with the Liechtenstein Securities Prospectus Act. In accordance with Article 30a of the Liechtenstein Securities Prospectus Act, by approving this Base Prospectus, the FMA gives no assurances relating to the economic and financial suitability of the Notes (as defined below) and the quality or solvency of the Issuer.

This document constitutes a base prospectus (the **Base Prospectus**) according to Article 5 (4) of the Directive 2003/71/EC, as amended, (the **Prospectus Directive**) in connection with the Commission Regulation (EC) No. 809/2004, as amended, for the issuance of limited recourse index-linked bearer notes (the **Bearer Notes**) and limited recourse index-linked registered notes (the **Registered Notes**, and together with the Bearer Notes, the **Securities**, or the **Notes**) issued from time to time by Timberland Securities SPC (the **Issuer**, or the **Company**).

The purpose of this Base Prospectus is the offer to the public and/or the admission to trading of the Securities described herein. This Base Prospectus is to be read together with the information provided in (a) the supplements to this Base Prospectus, if any (the **Supplements**), (b) all other documents whose information is incorporated herein by reference (see the section entitled "*Documents incorporated by Reference*" below) as well as (c) the respective Final Terms (the **Final Terms**).

The Issuer is an exempted limited liability company incorporated and registered as a segregated portfolio company under the laws of the Cayman Islands, having its registered office at Queensgate House, P.O. Box 1093, Grand Cayman, KY1-1102, Cayman Islands, subject to the provisions of the Companies Law (2016 Revision) of the Cayman Islands, as amended (the **Companies Law**) and acting for the account of the relevant Segregated Portfolio.

The Bearer Notes are subject to, and governed by, the terms and conditions fully described in the section entitled "*Conditions of the Bearer Notes*" (the **Bearer Notes Conditions**) and the Registered Notes are subject to, and governed by, the terms and conditions fully described in the section entitled "*Conditions of the Registered Notes*" (the **Registered Notes Conditions** and together with the Bearer Notes Conditions, the **Conditions**). Unless redeemed early or purchased and cancelled in accordance with the relevant Conditions, the Issuer will redeem each Note on the Maturity Date specified in the relevant Conditions by paying the Redemption Amount (as defined in the Conditions) to the relevant holder of such Note.

Each of the Notes is issued in respect of a separate segregated portfolio called respectively "OptiMix A SP", "OptiMix B SP", "OptiMix C SP", "Precious Metals SP", "OptiMix World SP" (previously "Currency Funds SP"), "Top-10 SP" and "Bonds Portfolio SP" established by the board of directors of the Company (the **Segregated Portfolios** and each a **Segregated Portfolio**). The Notes may also be issued in respect of another

segregated portfolio which will be specified in the relevant Final Terms (also a Segregated Portfolio). Each Segregated Portfolio has been established to segregate the assets and liabilities of the Company held within or on behalf of the Segregated Portfolio from the assets and liabilities of the Company held within or on behalf of any other segregated portfolio of the Company or the general assets and liabilities of the Company which are not held within or on behalf of a segregated portfolio. The Portfolio Assets are exclusively available to satisfy the rights of the relevant Noteholders and the rights of any other creditors of the Segregated Portfolio, as provided for in the Companies Law and contemplated by the memorandum and articles of association of the Company (the **Company Articles**). All the Notes to be issued pursuant to this Base Prospectus will, subject to the Conditions, be entitled to a *pro rata* share of the relevant Portfolio Assets.

The Notes are direct, unsecured, limited recourse debt obligations of the Issuer. Pursuant to Section 220 of the Companies Law, the assets attributable to the relevant Segregated Portfolios shall only be used to meet liabilities due to the creditors in respect such Segregated Portfolios and are not available or to be used to meet the claims of creditors of the Company or creditors of another segregated portfolio of the Company. The holders of the Notes (the **Noteholders**) will only be entitled to payments under the Notes unless, and to the extent that, the Issuer receives the relevant cash proceeds under or in connection with the relevant Segregated Portfolio.

The Notes will track the performance of the index to which the relevant Note is linked to, i.e. the OptiMix A Index, the OptiMix B Index, the OptiMix C Index, the Precious Metals Index, the OptiMix World Index (previously "Currency Funds Index"), the Top-10 Index or the Bonds Portfolio Index (each an **Index** and together, the **Indices**). The Notes may be also linked to a further index as specified in the relevant Final Terms (also an Index). Such further Index is composed of the same components as the other Indices (with a different weighting). Each Index is composed of a cash component and a securities component (together, the **Index Components**). The cash component (the **Cash Component**) consists of means a virtual non-interest bearing amount in Euro (or any other currency as determined in the Final Terms) while the securities component (the **Securities Component**) consists of the Underlying Securities (as defined below), weighted in accordance with the applicable strategy of the relevant Index (the **Index Strategy**) as set out in the following table:

	Equity Portfolio Limited Recourse Bonds	Bonds Portfolio Limited Recourse Bonds	Precious Metals Portfolio Limited Recourse Bonds	OptiMix Portfolio Limited Recourse Bonds	Top-10 Portfolio Limited Recourse Bonds
OptiMix A Index	70%*	15%*	15%*	0%*	0%*
OptiMix B Index	60%*	20%*	20%*	0%*	0%*
OptiMix C Index	50%*	25%*	25%*	0%*	0%*
Precious Metals Index	0%*	0%*	100%*	0%*	0%*
OptiMix World Index	0%*	10%*	0%*	90%*	0%*
Top-10 Index	0%*	10%*	0%*	0%*	90%*
Bonds Portfolio Index	0%*	100%*	0%*	0%*	0%*

* approximate value

The Underlying Securities are limited recourse bonds to be issued by Timberland Investment SA, a public limited liability company (*société anonyme*) incorporated in Luxembourg, having its registered office 20 B, Rue des Carrières, L-1316 Luxembourg, registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B 178.756 (**Timberland Investment**) and subject as an unregulated securitisation undertaking to the provisions of the Luxembourg act dated 22 March 2004 on securitisation, as amended (the **Securitisation Act 2004**). For a description of the Equity Portfolio Limited Recourse Bonds, the Bonds Portfolio Limited Recourse Bonds, the Precious Metals Portfolio Limited Recourse Bonds, the OptiMix Portfolio Limited Recourse Bonds, and the Top-10 Portfolio Limited Recourse Bonds (hereinafter referred to collectively as the **Underlying Securities**) please refer to the sections entitled "*Description of the Equity Portfolio Limited Recourse Bonds*", "*Description of the Bonds Portfolio Limited Recourse Bonds*", "*Description of the Precious Metals Portfolio Limited Recourse Bonds*", "*Description of the OptiMix Portfolio Limited Recourse Bonds*" and "*Description of the Top-10 Portfolio Limited Recourse Bonds*" of this Base Prospectus. The information contained in the afore-mentioned descriptions of the Underlying Securities and the relevant risk factors set out in this Base Prospectus have been provided by Timberland Investment. 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 materially inaccurate or misleading.

The Issuer may use parts of the respective proceeds of the Notes (less certain applicable deductions) to invest in assets to be attributed to the relevant Segregated Portfolio (the **Portfolio Assets**). The Issuer may but shall not be obliged to directly, indirectly, or synthetically invest in the Underlying Securities but it shall invest in assets which it deems, in its reasonable discretion, to be suitable to ensure full and punctual payment of the Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, respectively (each as defined in the Conditions).

By subscribing for, or otherwise acquiring, the Notes, the Noteholders acknowledge and agree, and will be deemed to have acknowledged and agreed, that the financial servicing of the Notes and any payments under the Notes will depend on the relevant Index and on the payments received by the Issuer under or in connection with the relevant Segregated Portfolio.

Application may be made for the Bearer Notes and/or the Registered Notes to be listed on the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange and/or the Open Market (*Freiverkehr*) on the Munich Stock Exchange and/or the Open Market (*Freiverkehr*) on the Stuttgart Stock Exchange and/or the MTF (*Dritter Markt*) of the Vienna Stock Exchange and/or the Luxemburg Stock Exchange Euro MTF market and/or the MTF market of the Irish Stock Exchange (each an **Open Market**) and/or any other Open Market. For the avoidance of doubt, (i) "and" means in regard to admission to trading of Notes on one or more Open Market(s) and (ii) "Open Market" is not limited to EU-/EWR MTF and includes any non-EU/EWR MTF such as, but not limited to, at the SIX Swiss Exchange AG. Application may also (in the future) be made for the Notes to be listed on one or more organised trading facilities (OTF) each within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

Application may be made for the admission to trading of the Securities on the regulated market(s) of the Frankfurt Stock Exchange and/or the Munich Stock Exchange and/or the Stuttgart Stock Exchange and/or the Vienna Stock Exchange and/or the Malta Stock Exchange and/or the European Wholesale Securities Market and/or the Luxembourg Stock Exchange and/or the Irish Stock Exchange and/or any other regulated market. For the avoidance of doubt, "and" means in regard to admission to trading of Notes one or more regulated market(s). Application may also (in the future) be made for the Notes to be listed on one or more organised trading facilities (OTF) each within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

Application may (in the future) be made for the Notes to be listed on one or more markets and organised trading facilities (OTF), which may be regulated or unregulated. For the avoidance of doubt, "markets" and "OTF" is not limited to EU-/EWR markets and/or EU-/EWR OTF and includes any non-EU/EWR market(s) and/or OTF such as, but not limited to, at the SIX Swiss Exchange AG.

The Issuer may also request the FMA in accordance with Article 23 of the Liechtenstein Securities Prospectus Act to provide the competent authorities in the Republic of Austria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the French Republic, the Federal Republic of Germany, Hungary, the Republic of Ireland, the Italian Republic, the Grand Duchy of Luxembourg, the Republic of Malta, the Republic of Poland, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the United Kingdom of Great Britain and Northern Ireland (and together with the Principality of Liechtenstein collectively, the **Public Offer Jurisdictions** and each, a **Public Offer Jurisdiction**) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Liechtenstein Securities Prospectus Act. The publication of the Base Prospectus will be made at least one Business Day (as defined in the Conditions) prior to the commencement of an offer to the public of the Notes in the relevant Public Offer Jurisdiction.

Any person intending to acquire or acquiring any securities (an **Investor**) from any person distributing or selling the Notes (an **Offeror**) should be aware that, in the context of an offer to the public as defined in the Prospectus Directive, the Issuer may be responsible to the Investor for the contents of the Base Prospectus only if the Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the Issuer. If the Offeror is not acting in association with the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of Article 6 of the Prospectus Directive as implemented by the national legislation of each European Economic Area (**EEA**) member state in the context of an offer of securities to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents, it should take legal advice.

The Issuer has authorised the making of a public offer of the Notes by Timberland Invest Ltd. and Timberland Capital Management GmbH (the **Distribution Agents**) in the Public Offer Jurisdictions during the offer period and the Issuer has consented to the use of this Base Prospectus by any other person authorised by the Distribution Agents in connection with any public offer of Notes (under which the offer of the Securities takes place) and the applicable Final Terms in connection with a subsequent resale or final placement of the Securities to the extent and the conditions as set out in the Base Prospectus and the Final Terms during the term of its validity in accordance with Article 9 of the Prospectus Directive.

Information on the terms and conditions of the offer of Notes by the Distribution Agent is to be provided at the time of the offer by the Distribution Agent.

The Conditions of the Notes are complex. An investment in the Notes is suitable only for investors who are in a position to evaluate the risks and who have sufficient resources to be able to bear any losses which may result from such investment. Before subscribing to or otherwise acquiring any Notes, prospective investors should specifically ensure that they understand the structure of, and the risk inherent to, the Notes and should specifically consider the risk factors set out in section entitled "*Risk Factors*" below.

The Issuer accepts responsibility for the information contained in this Base Prospectus and, to the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in the Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

If the relevant Final Terms in respect of any Notes include a legend entitled "*Prohibition of Sales to Retail Investors in the European Economic Area*", the Notes, from 1 January 2018 are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial

instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("**MiFiD II**"); (ii) a customer within the meaning of Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, where that customer would not qualify as a professional client as defined in Point (10) of Article 4(1) of MiFiD II; or (iii) not a qualified investor as defined in the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003. If the relevant Final Terms include the above-mentioned legend, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

Neither this Base Prospectus or its delivery nor any other information supplied in connection with the offering, sale or delivery of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the offering, sale, or delivery of the Notes should purchase any Notes. Each investor contemplating acquiring any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, Timberland Investment and the entities in which the proceeds of the Underlying Securities may be invested by Timberland Investment. Save for the approval of the Base Prospectus by the FMA and save as described herein, neither this Base Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe to, or otherwise acquire, any Notes.

Neither the delivery of the Base Prospectus nor the offering, sale or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date indicated in the document containing the same.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FOR A FURTHER DESCRIPTION OF CERTAIN RESTRICTIONS ON THE OFFERING AND SALE OF THE NOTES AND ON DISTRIBUTION OF THIS DOCUMENT, SEE THE SECTION ENTITLED "*SUBSCRIPTION AND SALE*".

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale or delivery of Notes may be restricted by law in certain jurisdictions. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that the Notes may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such 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 which is intended to permit an offering to the public or sale of the Notes or the distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States of America (**United States**) and the EEA including the Public Offer Jurisdictions (please see the section entitled "*Subscription and Sale*").

Supplements (if any) to this Base Prospectus will be approved by the FMA and published in accordance with Article 17 of the Liechtenstein Securities Prospectus Act.

Any websites included in the Base Prospectus are for information purposes only and do not form part of the Base Prospectus. References to the Issuer may, where relevant and if the context so requires, be construed as a reference to the Company and vice versa. References to a "Noteholder" may, where relevant and if the context so requires, be construed as a reference to a holder of Equity Portfolio Limited Recourse Bonds, Bonds Portfolio Limited Recourse Bonds, Precious Metals Portfolio Limited Recourse Bonds, OptiMix Portfolio Limited Recourse Bonds and Top-10 Portfolio Limited Recourse Bonds or Notes linked to another Segregated Portfolio, if any.

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SUMMARY OF THE BASE PROSPECTUS

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings

Element	Title	
A.1	Warnings that the summary should be read as an introduction and provision as to claims	<ul style="list-style-type: none"> • This summary should be read as an introduction to this base prospectus (the Base Prospectus) of Timberland Securities SPC (the Issuer). • Any decision to invest in [Limited Recourse Index-Linked Bearer Notes] [and] [or] [Limited Recourse Index-Linked Registered Notes] should be based on consideration of the Base Prospectus as a whole by the investor. • Where a claim relating to information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. • Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.
A.2	Consent as to use of the Prospectus, period of validity and other attached conditions	[Timberland Invest Ltd.] [and][or] [Timberland Capital Management GmbH] [and][or] [●] (the Distribution Agent[s]) [has][have] been authorised by the Issuer to use the Base Prospectus for any final placement of the Notes during the Offer Period (as defined in Element E.3 below). Information on the terms and conditions of the offer of Notes by the Distribution Agent[s] is to be provided at the time of the offer by the Distribution Agent[s].

Section B – Issuer

Element	Title	
B.1	Legal and commercial name of the Issuer	The legal and commercial name of the issuer is Timberland Securities SPC acting for the account of separate segregated portfolios called respectively "OptiMix A SP", "OptiMix B SP", "OptiMix C SP", "Precious Metals SP", "OptiMix World SP", "Top-10 SP", "Bonds Portfolio SP" and, as the case may be, one or more other segregated portfolio, each established by the board of directors of the Issuer in accordance with Section 216 of the Companies Law (2016 Revision) of the Cayman Islands (the Companies Law) (together, the Segregated Portfolios and each a Segregated Portfolio).

Element	Title													
B.2	Domicile/ legal form/ legislation/ country of incorporation	The Issuer is an exempted limited liability company incorporated and registered as a segregated portfolio company under the laws of the Cayman Islands and domiciled in the Cayman Islands. The registered office of the Issuer is Queensgate House, P.O. Box 1093, Grand Cayman, KY1-1102, Cayman Islands.												
B.4b	Known trends affecting the issuer and the industries in which it operates	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.												
B.5	Description of the group and the issuer's position within the group	The Issuer is an orphaned securitisation vehicle and the entirety of its shares are held by Stichting Timberland V, a foundation (<i>stichting</i>) incorporated under the laws of the Kingdom of the Netherlands. The Issuer does not have any subsidiaries.												
B.9	Profit forecast or estimate	Not applicable. The Issuer does not generate any profit forecast or estimate.												
B.10	Nature of any qualifications in the audit report on historical financial information	Not applicable. There are no qualifications in the audit reports on the historical financial information included in the Base Prospectus.												
B.12	Selected historical key financial information	<p>Summary of Selected Financial Information:</p> <p>Unless specified otherwise below, the following table sets out the key financial information of the Issuer in accordance with the International Financial Reporting Standards extracted from the financial statements as of and for the financial year ended 30 June 2017. The financial statements of the Issuer as of and for the financial year ended 30 June 2017 were audited by Vistra Treuhand GmbH, Wirtschaftsprüfungsgesellschaft (Vistra). Vistra has issued an unqualified auditors' opinion on such financial statements.</p> <p>The annual accounts for the financial period from 01 July 2015 to 30 June 2016:</p> <table border="0" data-bbox="550 1680 1428 2054"> <thead> <tr> <th style="text-align: left;">in EUR</th> <th style="text-align: right;">30 June 2016 (€)</th> </tr> </thead> <tbody> <tr> <td>Short-term assets</td> <td style="text-align: right;">6,458</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">6,458</td> </tr> <tr> <td>Equity</td> <td style="text-align: right;">(201,953)</td> </tr> <tr> <td>Short-term Debt</td> <td style="text-align: right;">208,411</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">6,458</td> </tr> </tbody> </table>	in EUR	30 June 2016 (€)	Short-term assets	6,458	Total Assets	6,458	Equity	(201,953)	Short-term Debt	208,411	Total Assets	6,458
in EUR	30 June 2016 (€)													
Short-term assets	6,458													
Total Assets	6,458													
Equity	(201,953)													
Short-term Debt	208,411													
Total Assets	6,458													

Element	Title													
		<p>The annual audited accounts for the financial period from 01 July 2016 to 30 June 2017:</p> <table> <tr> <td>in EUR</td> <td>30 June 2017 (€)</td> </tr> <tr> <td>Short-term assets</td> <td>11,483</td> </tr> <tr> <td>Total Assets</td> <td>11,483</td> </tr> <tr> <td>Equity</td> <td>(462,911)</td> </tr> <tr> <td>Short-term Debt</td> <td>474,394</td> </tr> <tr> <td>Total Assets</td> <td>11,483</td> </tr> </table> <p>Some figures may be subject to discrepancies due to rounding differences.</p>	in EUR	30 June 2017 (€)	Short-term assets	11,483	Total Assets	11,483	Equity	(462,911)	Short-term Debt	474,394	Total Assets	11,483
in EUR	30 June 2017 (€)													
Short-term assets	11,483													
Total Assets	11,483													
Equity	(462,911)													
Short-term Debt	474,394													
Total Assets	11,483													
B.13	Events impacting the Issuer's solvency	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.												
B.14	Statement of dependency upon other entities within the group	Please see Element B.5 above.												
B.15	Principal activities	The Issuer is established as a special purpose vehicle for the purpose of issuing asset backed securities and other structured notes.												
B.16	Controlling shareholders	The Issuer has an authorised share capital of EUR 31,000 divided into 31,000 shares of EUR 1 each all of which have been issued. 31,000 of the Issuer's shares are held by Stichting Timberland V, a foundation (<i>stichting</i>) incorporated and existing under the laws of the Kingdom of the Netherlands.												

Section C – Securities

Element	Title	
C.1	Type and Class of the Notes/ISIN	<p>The [Limited Recourse Index-Linked Bearer Notes][Limited Recourse Index-Linked Registered Notes][<i>insert name of Securities</i>] (the Notes or the Securities) are [bearer][registered] notes linked to the performance of an underlying Index (as defined in Element C.20 below).</p> <p>[Not applicable. No securities identification code will be allocated to the Notes.]</p> <p>[ISIN: [●]]</p> <p>[<i>In the case of any other securities identification code to be assigned to the Securities, insert:</i></p>

Element	Title	
		[Other Securities Identification Code[s]: [●]]
C.2	Currency	The specified currency of the Notes is [Euro][British Pound][Swiss Franc][US Dollar][●].
C.5	Restrictions on transferability	<p><i>[In the case of Limited Recourse Index-Linked Bearer Notes, insert:</i></p> <p>There are no restrictions on the free transferability of the Notes.]</p> <p><i>[In the case of Limited Recourse Index-Linked Registered Notes, insert:</i></p> <p>No transfer of a Note may be registered (i) after an event of default notice has been issued pursuant to the terms and conditions of the Notes or (ii) during the period of fifteen (15) days ending on the due date for any payment in respect of that Note.]</p>
C.8	Rights attached to the Notes, including ranking and limitations on those rights	<p>RIGHTS ATTACHED TO THE NOTES</p> <p><i>Interest Payments</i></p> <p><i>[In the case of non-interest bearing Securities, insert:</i></p> <p>No interest is payable on the Notes.]</p> <p><i>[In the case of interest bearing Securities, insert:</i></p> <p>On each Interest Payment Date, the Noteholders are entitled to the Interest Payment Amount corresponding to the product of the Nominal Amount and the Interest Rate (the Interest Payment Amount). Interest will accrue in respect of each Interest Period applying the Day Count Fraction.</p> <p>Whereby:</p> <p>Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time (the Calculation Period) the actual number of days in the Calculation Period divided by 365 (or, if any calculation portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).</p> <p>Interest Commencement Date means [●].</p> <p>Interest Payment Date means [●] [and [●]] in each year, commencing on [●] and ending on the Maturity Date, or the Optional Redemption Date, or the Early Redemption Date (each as defined in Element C.16 below), as the case may be.</p> <p>Interest Period means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date.</p> <p>Interest Rate means [●] per cent. per annum.]</p>

Element	Title	
		<p>Nominal Amount means [EUR][GBP][CHF][USD][●] [1.00][●].</p> <p>Redemption at Maturity</p> <p>Unless previously redeemed or purchased and cancelled, on the Maturity Date (as defined in Element C.16 below) the Issuer will redeem each Note on the Maturity Date by paying to the holders of the Notes (the Noteholders or a Noteholder) the Redemption Amount corresponding to the product of the Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] [after deduction of the Deferred Selling Fee].</p> <p>Whereby:</p> <p>Calculation Agent means [Timberland Capital Management GmbH][Timberland Fund Management Ltd.][●].</p> <p>[Deferred Selling Fee means [in case the Notes have been redeemed on or before [●],] a fee of [up to] [2][●] per cent. of the Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed.] [In case the Notes have not been redeemed on or prior to [●], the Deferred Selling Fee shall be [up to] [2][●] per cent. of the Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed][●].</p> <p>Final Valuation Date means [●].</p> <p>Nominal Amount means [EUR][GBP][CHF][USD][●] [1.00][●].</p> <p>Participation Factor means [0.90][●].</p> <p>Redemption Amount means the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level (as defined in Element C.15 below) determined by the Calculation Agent on the Final Valuation Date.</p> <p>Early Redemption</p> <p>The Notes can be redeemed prior to their stated maturity at the option of the Issuer and at the option of a Noteholder at the specified redemption amount(s) as set out below.</p> <p>Early Redemption at the option of the Issuer</p> <p>The Issuer may, prior to the Maturity Date, request the early redemption of all of its outstanding Notes on the Early Redemption Date (as defined in Element C.16 below). The Issuer will redeem each of the relevant Notes by paying the Early Redemption Amount corresponding to the product of the Early Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] [after deduction of the Deferred Selling Fee].</p> <p>Whereby:</p>

Element	Title	
		<p>Business Day means each day [<i>in the case of all Securities, where the specified currency is the Euro, insert:</i> (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) are open for business [<i>in the case of additional Business Day Financial Centres, insert:</i> and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre]] [<i>in the case of all Securities, where the specified currency is not the Euro, insert:</i> (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre].</p> <p>[<i>in the case of additional Business Day Financial Centres, insert:</i></p> <p>Business Day Financial Centre means [●].]</p> <p>Calculation Agent means [Timberland Capital Management GmbH][Timberland Fund Management Ltd.][●].</p> <p>Clearing System means Clearstream and/or Euroclear [and/or [●]] [●]; the term Clearstream refers to Clearstream Banking, <i>société anonyme</i>, Luxembourg and/or Clearstream Banking AG, Frankfurt and the term Euroclear refers to Euroclear Bank S.A./N.V.].</p> <p>[Deferred Selling Fee means [in case the Notes have been redeemed on or before [●],] a fee of [up to] [2][●] per cent. of the Early Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed.] [In case the Notes have not been redeemed on or prior to [●], the Deferred Selling Fee shall be [up to] [2][●] per cent. of the Early Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed][●].</p> <p>Early Redemption Amount means the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level (as defined in Element C.15 below) as determined by the Calculation Agent on the Early Redemption Valuation Date.</p> <p>Early Redemption Valuation Date means [the [10th][●] Business Day prior to the Early Redemption Date][●].</p> <p>[<i>in the case of all Securities, where the specified currency is the Euro, insert:</i></p> <p>TARGET2 Day means any day on which the TARGET2 System is open.</p> <p>TARGET2 System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.]</p> <p>Early Redemption at the option of the Noteholder</p> <p>Any Noteholder may, prior to the Maturity Date, request the early redemption of all or part of its outstanding Notes on the Optional Redemption Date (as defined in Element C.16 below). The Issuer will redeem each of the relevant Notes by paying the Optional Redemption</p>

Element	Title	
		<p>Amount corresponding to the product of the Optional Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] [after Deduction of the Deferred Selling Fee].</p> <p>Whereby:</p> <p>Business Day means each day [<i>in the case of all Securities, where the specified currency is the Euro, insert:</i> (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) are open for business [<i>in the case of additional Business Day Financial Centres, insert:</i> and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre]] [<i>in the case of all Securities, where the specified currency is not the Euro, insert:</i> (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre].</p> <p>[<i>in the case of additional Business Day Financial Centres, insert:</i></p> <p>Business Day Financial Centre means [●].]</p> <p>Calculation Agent means [Timberland Capital Management GmbH][Timberland Fund Management Ltd.][●].</p> <p>Clearing System means Clearstream and/or Euroclear [and/or [●]]; the term Clearstream refers to Clearstream Banking, <i>société anonyme</i>, Luxembourg and/or Clearstream Banking AG, Frankfurt and the term Euroclear refers to Euroclear Bank S.A./N.V.].</p> <p>[Deferred Selling Fee means [in case the Notes have been redeemed on or before [●],] a fee of [up to] [2][●] per cent. of the Optional Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed.] [In case the Notes have not been redeemed on or prior to [●], the Deferred Selling Fee shall be [up to] [2][●] per cent. of the Optional Redemption Amount [<i>in the case of interest bearing Securities, insert:</i> and the Interest Payment Amount] per Note to be redeemed][●].</p> <p>Optional Redemption Amount means [the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level (as defined in Element C.15 below) as determined by the Calculation Agent on the Optional Redemption Valuation Date][●].</p> <p>Optional Redemption Valuation Date means [the [10th][●] Business Day prior to the Optional Redemption Date][●].</p> <p>[<i>in the case of all Securities, where the specified currency is the Euro, insert:</i></p> <p>TARGET2 Day means any day on which the TARGET2 System is open.</p> <p>TARGET2 System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.]</p> <p>RANKING</p>

Element	Title	
		<p><i>General</i></p> <p>The Notes constitute direct, unsecured and limited recourse debt obligations of the Issuer and rank pari passu and rateably, without any preference among themselves, with all other existing direct, unsecured, limited recourse indebtedness of the Issuer, which has been or will be allocated to the relevant Segregated Portfolio but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.</p> <p>Pursuant to Section 220 of the Companies Law (2016 Revision) of the Cayman Islands, as amended (the Companies Law), the assets attributable to the relevant Segregated Portfolio shall only be used to meet liabilities due to the creditors in respect of such Segregated Portfolio and are not available or to be used to meet the claims of creditors of the Issuer or creditors of another segregated portfolio of the Issuer.</p> <p><i>Qualified subordination clause</i></p> <p>(i) All claims under the Notes, including but not limited to the claims for payment of the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [and] the Partial Redemption Amount [,][and] [<i>in the case of interest bearing Securities, insert: the Interest Payment Amount</i>], applying mutatis mutandis in accordance with Section 19 (2) sentence 2 of the German Insolvency Code (<i>Insolvenzordnung</i>, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in Section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in Section 39 (2) InsO. A waiver with respect to the claims is not possible.</p> <p>(ii) Payments under the Limited Recourse Index-Linked Bearer Notes may be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.</p> <p>(iii) The Noteholders may not demand satisfaction of their claims if this result, or threatens to result, in the Issuer becoming overindebted (<i>überschuldet</i>) or unable to pay its debts (<i>zahlungsunfähig</i>) within applying mutatis mutandis the meaning of German insolvency law.</p> <p>(iv) Paragraphs (i) to (iii) apply both before and after the opening of insolvency proceedings.</p> <p>(v) In all other respects, the Noteholders are entitled without restriction to assert their rights under the Notes and to claim performance.</p> <p>(vi) For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Issuer as a whole (<i>Gläubigergesamtheit</i>) applying mutatis mutandis within the meaning of Section 328 (2) of the German Civil Code (<i>Bürgerliches Gesetzbuch</i>). Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in</p>

Element	Title	
		<p>the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Issuer.</p> <p>Whereby:</p> <p>Partial Redemption Amount means in relation to each Note an amount equal to the amount received by the Issuer in connection with realisation of the corresponding portion of the assets to be attributed to the relevant Segregated Portfolio.</p> <p>GOVERNING LAW</p> <p>The Notes are governed by, and shall be construed in accordance with, Luxembourg law, except for the clause relating to "Payments" (as set out in the terms and conditions) and the qualified subordination clause stipulated in the latter which shall be applying mutatis mutandis in the meaning to the laws of Germany.</p> <p>LIMITATIONS</p> <p>By subscribing for the Notes, or otherwise acquiring the Notes, the Noteholders expressly acknowledge and accept, and will be deemed to have accepted and acknowledged, that the Issuer (i) is subject to the Companies Law and (ii) has created the Segregated Portfolios in respect of the Notes to which all assets, rights, claims and agreements relating to the Notes will be allocated. Furthermore, the Noteholders acknowledge and accept that they have recourse only to the assets of the relevant Segregated Portfolio and not to the assets allocated to any other segregated portfolios created by the Issuer or the general assets of the Issuer. The Noteholders acknowledge and accept that once all the assets allocated to the relevant Segregated Portfolio have been realised, they are not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished. The Noteholders accept not to attach or otherwise seize the assets of the Issuer allocated to the relevant Segregated Portfolio or to other segregated portfolios of the Issuer or the general assets of the Issuer. In particular, Noteholders shall not be entitled to (i) institute against the Issuer or any segregated portfolio of the Issuer, including the Segregated Portfolios, or join or assist any other person in instituting against the Issuer or any segregated portfolio of the Issuer, including the Segregated Portfolios, any winding-up, liquidation, bankruptcy, arrangement or insolvency proceedings under any Cayman Islands law, Luxembourg law or similar law of any jurisdiction, or (ii) apply for a receivership order under Section 224 of the Companies Law in respect of the Segregated Portfolios or any other segregated portfolio of the Issuer.</p>
C.11	An indication as to whether the securities offered are or will be the object of an	[Not applicable. It is not intended to apply for admission of the Notes to trading neither on a not regulated market nor on a regulated market or on an organised trading facility (OTF) each within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.]

Element	Title	
	<p>application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question</p>	<p>[Not applicable. However, application [may be][will be][has been] made to [list the Securities][include the Securities to trading] on [the Open Market (<i>Freiverkehr</i>) of the Frankfurt Stock Exchange] [,][and][or] [the Munich Stock Exchange] [,][and][or] [the Stuttgart Stock Exchange] [,][and][or] [the Vienna Stock Exchange] [,][and][or] [the Malta Stock Exchange (the MSE)] [,][and][or] [the European Wholesale Securities Market (the EWSM)] [,][and][or] [the Euro MTF market of the Luxembourg Stock Exchange] [,][and][or] [the Irish Stock Exchange (the ISE)] [,][and][or] [<i>insert any other unregulated market</i>], which [is][are] not [a] regulated market[s] [,][and][or] [on one or more organised trading facilities (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.]</p> <p>[Application [may be][will be][has been] made for the admission to trading of the Securities on the regulated market of the [the Frankfurt Stock Exchange][,] [and][or] [the Munich Stock Exchange][,] [and][or] [the Stuttgart Stock Exchange][,] [and][or] [the Vienna Stock Exchange][,] [and][or] [the Malta Stock Exchange (the MSE)] [,][and][or] [the European Wholesale Securities Market (the EWSM)] [,][and][or] [Luxembourg Stock Exchange] [,][and][or] [the Irish Stock Exchange (the ISE)] [and] [or] [<i>insert other regulated market</i>], which [is][are] [a] regulated market[s] [,][and][or] [on one or more organised trading facilities (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.]</p>
<p>C.15</p>	<p>Effect of the underlying on the value of the securities</p>	<p>The value of the Notes during their term depends on the performance of an underlying Index (as defined in Element C.20 below). In case the level of the Index increases, the value of the Notes is likely to increase. In case the level of the Index decreases, the value of the Notes is likely to decrease. In particular, the Redemption Amount or the Optional Redemption Amount, if any, to be received by the Noteholder depends on the performance of the Index.</p> <p>The Index will initially be calculated on [●] (the Index Commencement Date). The initial Index Level on the Index Commencement Date is 100 index points, one index point corresponding to EUR 0.01. The Index Level on each Index Calculation Day will be calculated on the basis of the following formula:</p> <p><i>[in the case of non-interest bearing Securities, insert:</i></p> $\text{Index Level}_t = [\text{NAV}_{\text{IC}} \text{ [- MF] [- AF] [- TECF] [- PF] [- DC]}] [\bullet]$ <p>Whereby:</p> <p>[NAV_{IC} = Net Asset Value of the Index Components;]</p> <p>[AF = Arranger Fee;]</p> <p>[MF = Management Fee;]</p>

Element	Title	
		<p>[TECF = Tracking Error Correction Factor;]</p> <p>[PF = Performance Fee;]</p> <p>[DC = Distribution Commission];[.];[.]</p> <p><i>[In the case of other component(s) of the Index Level_t, insert component(s) of the Index Level_t: [●][.].]</i></p> <p><i>[in the case of interest bearing Securities, insert:</i></p> <p>Index Level_t = [NAV_{IC} [- MF] [- AF] [- TECF] [- PF] [- DC] - DF] [●]</p> <p>Whereby:</p> <p>[NAV_{IC} = Net Asset Value of the Index Components;]</p> <p>[MF = Management Fee;]</p> <p>[AF = Arranger Fee;]</p> <p>[TECF = Tracking Error Correction Factor;]</p> <p>[PF = Performance Fee;]</p> <p>[DC = Distribution Commission;]</p> <p>[DF = Distribution Factor];[.];[.]</p> <p><i>[In the case of other component(s) of the Index Level_t, insert component(s) of the Index Level_t: [●][.].]</i></p> <p>Arranger means [Timberland Securities Investment plc][●].</p> <p>Arranger Fee means a fee of [●] index points per calendar day. The Arranger Fee only applies until [●]. If an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Arranger Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level for the relevant Index Calculation Day. The Arranger has the sole and absolute discretion to lower the Arranger Fee to [0.00][●] index points.</p> <p>Cash Component means a virtual non-interest bearing amount in [Euro][●].</p> <p>Distribution Commission means a fee of [0,00246575][●] index points per calendar day; if an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Distribution Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level for the relevant Index Calculation Day. The Investment Advisor has the sole and absolute discretion to lower the Distribution Fee to [0.00][●] index points.</p> <p><i>[In the case of interest bearing Securities, insert:</i></p>

Element	Title																																											
		<p>Distribution Factor means the Interest Payment Amount paid to Noteholders divided by the Index Level calculated by the Index Calculation Agent on the relevant Interest Payment Date.]</p> <p>Gross Increase of the Index Level (GIIL (t)) means on any valuation date a level equal to the difference of the Index Level on valuation date (t) and the applicable Relevant Highest Level, provided that solely for this purpose the Index Level after deduction of the Management Fee, Arranger Fee and, the Tracking Error Correction Factor (if any) and the Distribution Commission [<i>in the case of interest bearing Securities, insert: , and the Distribution Factor</i>], but before deduction of the Performance Fee, if any, will be used in order to calculate the Index Level.</p> <p>Index Calculation Agent means [Timberland Services Ltd.][●] or a new Index Calculation Agent selected by the Index Sponsor, as the case may be.</p> <p>Index Calculation Day means a day (other than a Saturday and a Sunday) on which credit institutions are open for general business in [the Federal Republic of Germany][●], and which is also a TARGET2 Day].</p> <p>Index Components means the Securities Component and the Cash Component.</p> <p>Index Sponsor[s] means [Timberland Fund Management Ltd.] [and] [Timberland Services Ltd.] [and] [●].</p> <p>Index Strategy means that the share of the Cash Component in the Index is [2][●] per cent. and the share of the Underlying Securities in the Index is [98][●] per cent. Furthermore, Underlying Securities are weighed approximately within the Securities Component in accordance with the weighting set out below in relation to the respective Index:</p> <table border="1" data-bbox="766 1321 1404 1523"> <thead> <tr> <th></th> <th>Equity Portfolio Limited Recourse Bonds</th> <th>Bonds Portfolio Limited Recourse Bonds</th> <th>Precious Metals Portfolio Limited Recourse</th> <th>OptiMix Portfolio Limited Recourse Bonds</th> <th>Top-10 Portfolio Limited Recourse Bonds</th> </tr> </thead> <tbody> <tr> <td>OptiMix A Index</td> <td>70%</td> <td>15%</td> <td>15%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>OptiMix B Index</td> <td>60%</td> <td>20%</td> <td>20%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>OptiMix C Index</td> <td>50%</td> <td>25%</td> <td>25%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Precious Metals Index</td> <td>0%</td> <td>0%</td> <td>100%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>OptiMix World Index</td> <td>0%</td> <td>10%</td> <td>0%</td> <td>90%</td> <td>0%</td> </tr> <tr> <td>Top-10 Index</td> <td>0%</td> <td>10%</td> <td>0%</td> <td>0%</td> <td>90%</td> </tr> </tbody> </table>		Equity Portfolio Limited Recourse Bonds	Bonds Portfolio Limited Recourse Bonds	Precious Metals Portfolio Limited Recourse	OptiMix Portfolio Limited Recourse Bonds	Top-10 Portfolio Limited Recourse Bonds	OptiMix A Index	70%	15%	15%	0%	0%	OptiMix B Index	60%	20%	20%	0%	0%	OptiMix C Index	50%	25%	25%	0%	0%	Precious Metals Index	0%	0%	100%	0%	0%	OptiMix World Index	0%	10%	0%	90%	0%	Top-10 Index	0%	10%	0%	0%	90%
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Element	Title						
		Bonds Portfolio Index	0%	100%	0%	0%	0%
		[insert name(s) of other Index]	[●%]	[●%]	[●%]	[●%]	[●%]
		<p>Investment Advisor means [Timberland Fund Management Ltd.][●].</p> <p>Issuer of the Underlying Securities means [(i) Timberland Investment SA or a compartment (within the meaning of the Securitisation Act) of Timberland Investment SA, or (ii) its respective successor or, (iii), in case of a substitution of the Issuer of the Underlying Securities, a Substitute Issuer of the Underlying Securities or [a] [compartment[s] (within the meaning of the Securitisation Act)][segregated portfolio[s] (within the meaning of the Companies Law) of [a] Substitute Issuer[s] of the Underlying Securities][●].</p> <p>Management Fee means a fee of [0,00246575][●] index points per calendar day; if an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Management Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level for the relevant Index Calculation Day. The Investment Advisor has the sole and absolute discretion to lower the Management Fee to [0.00][●] index points.</p> <p>Net Asset Value of the Index Components means the net asset value of the Index Components on the relevant Index Calculation Day (t) as determined by the Index Calculation Agent and calculated in index points whereby EUR 0.01 corresponds to one index point.</p> <p>Performance Fee means a fee which on any valuation date (PF (t)) will be equal to [●]% in relation to the positive Gross Increase of the Index Level plus value-added tax (VAT) if applicable in the relevant jurisdiction of the Investment Advisor, currently Malta ((currently [18%][●]), resulting in an aggregate percentage of currently [●]%). The Performance Fee will only be applied if the Index Level on the relevant valuation date is higher than the Relevant Highest Level. Any Performance Fee incurred will be deducted on a monthly basis from the Index Level on the last Index Calculation Day of each month. The Performance Fee will be calculated in accordance with the following formula:</p> $PF (t) = \max(0; GIIL (t) \times [●]\%)$ <p>Relevant Highest Level means the initial Index Level on the Index Commencement Date. Thereafter, the Relevant Highest Level will be determined on each valuation date in accordance with the following provisions:</p> <p>(a) The Relevant Highest Level will be the highest Index Level reached on any valuation date preceding the relevant valuation date (after deduction of the Performance Fee); i.e. if the Index Level (after deduction of the Performance Fee) on any valuation date exceeds the Relevant Highest Level applicable on such valuation date, then</p>					

Element	Title	
		<p>the Relevant Highest Level will be deemed to be equal to the Index Level (after deduction of the Performance Fee). The Relevant Highest Level adjusted in this manner will apply from the next following valuation date. If the Index Level (after deduction of the Performance Fee) on any valuation date does not exceed the Relevant Highest Level applicable on such valuation date, then the Relevant Highest Level will remain unchanged, except as provided in the following paragraph.</p> <p>(b) In [each][year][month][quarter][half-year], on [the 1st of January of each year][<i>insert date(s) or description: [●]</i>] [starting from [●]] (if such calendar day(s) is/are a valuation date, and in all other cases on the next following valuation date) (each an Relevant Highest Level Reset Date), the Relevant Highest Level will be reset so that it will be equal to the Index Level (after deduction of the Performance Fee) on such Relevant Highest Level Reset Date. If the Index Level on such day is lower than the previous Relevant Highest Level, the Relevant Highest Level will be reduced accordingly.</p> <p>Securities Component means the Underlying Securities weighed in accordance with the Index Strategy.</p> <p>Securitisation Act means the law of 22 March 2004 on securitisation of Luxembourg.</p> <p>Substitute Issuer of the Underlying Securities means a person acting as issuer of the Underlying Securities, provided that:</p> <p>(a) the Substitute Issuer of the Underlying Securities is solvent and can perform all obligations under and in connection with the Underlying Securities;</p> <p>(b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;</p> <p>(c) the Substitute Issuer of the Underlying Securities has been granted all necessary consents from the authorities of the country in which it has its registered office;</p> <p>(d) the assets underlying the Underlying Securities of the Underlying Securities have been or will be transferred from the Issuer of the Underlying Securities to the Substitute Issuer of the Underlying Securities; and</p> <p>(e) the substitution of the Substitute Issuer of the Underlying Securities for the Issuer of the Underlying Securities does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Noteholders.</p> <p>Tracking Error Correction Factor means [0.5][●] per cent. of the Net Asset Value of the Index Components. The Investment Advisor has the sole and absolute discretion to lower the Tracking Error Correction Factor to [0.00][●] per cent.</p>

Element	Title	
		<p>Underlying Securities means the following securities issued by the Issuer of the Underlying Securities: [Equity Portfolio Limited Recourse Bonds][,] [Bonds Portfolio Limited Recourse Bonds][,] [Precious Metals Portfolio Limited Recourse Bonds][,] [OptiMix World Portfolio Limited Recourse Bonds][,] [Top-10 Portfolio Limited Recourse Bonds] [and] [●] Portfolio Limited Recourse Bonds] ([each an][the] Underlying Security).</p>
C.16	The expiration or maturity date of the derivative securities / the exercise date or final reference date	<p>Early Redemption Date means a date, which is not later than the [10st][●] Business Day after the issue of the notice by the Issuer informing Noteholders about the early redemption of the Notes.</p> <p>Lock-Up Period means the period starting on [●] and ending on, and including, [●].</p> <p>Maturity Date means the earlier of (i) the next Business Day after the full redemption of all Underlying Securities or (ii) [●].</p> <p>Optional Redemption Date means [●] of each calendar year, starting on [●] falling after the expiry of the Lock-Up Period.</p>
C.17	Settlement procedure of the securities	<p><i>[In the case of Limited Recourse Index-Linked Bearer Notes, insert:</i></p> <p>All payments shall be made to <i>[insert name and address of paying agent(s)]</i> (the Bearer Notes Paying Agent). The Bearer Notes Paying Agent[s] shall pay the amounts due to the Clearing System for credit to the respective accounts of the depository banks for transfer to the Noteholders.</p> <p>The payment to the Clearing System shall discharge the Issuer from its obligations under the Securities in the amount of such payment.]</p> <p><i>[In the case of Limited Recourse Index-Linked Registered Notes, insert:</i></p> <p>Title to the Notes passes only by registration (<i>inscription</i>) in the Issuer Register. Ownership in respect of the Notes is established by the registration in the Issuer Register.</p> <p>Issuer Register means an up-to-date copy of the Register kept at the registered office of the Issuer.</p> <p>Register means a register of Noteholders of Registered Notes that will be kept at the specified office of the Registrar and Transfer Agent.</p> <p>Registrar and Transfer Agent(s) means [Timberland Securities SPC] [and] [Alter Domus Fund Services (Malta) Limited] [and] [●].]</p>
C.18	Description of how any return on derivative securities takes place	<p>Payment of the Redemption Amount on the Maturity Date, or the Optional Redemption Amount on the Optional Redemption Date, or the Early Redemption Amount on the Early Redemption Date, as the case may be.</p>
C.19	Exercise price or final reference price of the underlying	<p>Final reference price of the underlying Index is the Index Level last calculated and published by the Index Calculation Agent in accordance with the corresponding Index Strategy.</p>

Element	Title	
C.20	Type of the underlying and description where information on the underlying can be found	<p>The underlying of the Notes is the [OptiMix A Index][OptiMix B Index][OptiMix C Index][Precious Metals Index][OptiMix World Index][Top-10 Index][Bonds Portfolio index][●]-Index] (the Index).</p> <p>Information on each Index is available on the website [www.timberlandsecurities.com][insert website] or any successor or replacement address thereto.</p>

Section D – Risks

Element	Title	
D.2	Key risks regarding the Issuer	<p>RISK FACTORS RELATING TO THE ISSUER</p> <p><i>Risks in connection with the Issuer qualifying as a special purpose vehicle</i></p> <p>The Issuer does not have any other business than the raising of money to acquire assets eligible to invest in.</p> <p><i>Risks in connection with the Companies Law and segregated portfolios in general</i></p> <p>By subscribing to, or otherwise acquiring, the Notes, the Noteholders will, and shall be deemed to, fully adhere to, and be bound by, the terms and conditions of the Notes and the company articles of the Issuer.</p> <p><i>Risks in connection with the Segregated Portfolios relating to the Notes</i></p> <p>Claims against the Issuer will be limited to the net assets of the relevant Segregated Portfolio. In case a Segregated Portfolio is liquidated, only its assets shall be applied in accordance with the conditions of the Notes.</p> <p><i>Risks in connection with other creditors in respect of the Segregated Portfolios</i></p> <p>The Issuer is not aware of any claims of persons other than a Noteholder or any other creditors whose claims have arisen in connection with the creation, the operation or the liquidation of a Segregated Portfolio (the Portfolio Parties) that have arisen or may in the future arise on terms that such claims would be entitled to be satisfied from the assets of a Segregated Portfolio. In case such claims exist, they may have a material and adverse effect on the value of the assets of the Segregated Portfolio available to meet the claims of the Noteholders (and other Portfolio Parties), and therefore the assets of the Segregated Portfolio may not be sufficient to satisfy all amounts scheduled to be paid to the Noteholders (and other Portfolio Parties).</p> <p><i>Risks in connection with the limited recourse and non-petition mechanism</i></p> <p>The rights of Noteholders and other Portfolio Parties to participate in the assets of the Issuer are limited to the assets of a relevant Segregated Portfolio in accordance with Part XIV of the Companies Law and the conditions of the Notes. In particular, no party has the right to (i) petition for the winding up, the liquidation or the bankruptcy of the Issuer or (ii)</p>

Element	Title	
		<p>apply for a receivership order under Section 224 of the Companies Law in respect of the relevant Segregated Portfolio or any other segregated portfolio of the Issuer as a consequence of any shortfall or to take any similar proceedings. Failure to make payment in respect of any shortfall shall in no circumstances constitute an event of default under the conditions of the Notes.</p> <p><i>Risks in connection with the consequences of an application for the commencement of winding-up proceedings or similar proceedings</i></p> <p>Legal proceedings initiated by a Noteholder (or any other Portfolio Party) against the Issuer in conjunction with an application for the commencement of winding-up, liquidation and bankruptcy or similar proceedings against the Issuer in breach of these provisions shall, in principle, be declared inadmissible by the courts of the Cayman Islands.</p> <p><i>Risks in connection with the lack of security interests</i></p> <p>As the Issuer has not created any security interest over the assets in the Segregated Portfolio to secure its obligations in respect of the Notes, no such security interests exist for the benefit of the Noteholders (or other Portfolio Parties).</p> <p><i>Risks in connection with third parties</i></p> <p>The Issuer is party to contracts with a number of third parties who have agreed to perform a number of services in relation to the Notes. If any such third party fails to perform its obligations under any relevant agreement, Noteholders may be adversely affected.</p> <p><i>Risks in connection with conflicts of interest</i></p> <p>The Issuer may create additional segregated portfolios under which it may invest in the same assets as, or in assets similar to, the assets in which already existing Segregated Portfolios have invested. Furthermore, the investment policy of each Segregated Portfolio may compete or be in conflict with the investment policy of other Segregated Portfolios or additional segregated portfolios. Noteholders do not have the right to switch from one Segregated Portfolio to another Segregated Portfolio or segregated portfolio of the Issuer or to receive any compensatory payments. Thus, there are, or may be, potential conflicts of interests in relation to the investment policies applicable to the various Segregated Portfolios of the Issuer and the agents performing obligations in connection with the Notes.</p> <p><i>Risks in connection with Cayman Islands Anti-Money Laundering Legislation</i></p> <p>If the Issuer were determined by the Cayman Islands authorities to be in violation of certain rules and regulations in respect of Cayman Islands Anti-Money Laundering Legislation, the Issuer could be subject to substantial criminal penalties and/or administrative fines. Such a violation could materially adversely affect the timing and amount of payments by the Issuer to the Noteholders.</p>

Element	Title	
D.6	Key risks regarding the Notes	<p>RISK FACTORS RELATING TO THE NOTES</p> <p><i>The Notes may not be a suitable investment for an investor</i></p> <p>A potential investor should not invest in Notes unless the investor has the expertise (either alone or with a financial adviser) to understand how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact his investment will have on the potential investor's overall investment portfolio.</p> <p>[General risks][Risks] relating to the Notes</p> <p><i>Change of law</i></p> <p>The rights and obligations of the Noteholders may adversely be affected by any change of law applicable to the Notes.</p> <p><i>Commissions, fees and costs to be paid by the Issuer</i></p> <p>Distribution commissions or other similar fees charged by the Issuer's distribution agents and other fees and costs (including as applicable arranging fees and arranger prefunded amounts) reduce the total amount of the net issue proceeds. Therefore, the issue proceeds available to the Issuer for the purpose of investing in the Underlying Securities or other assets may be reduced accordingly.</p> <p><i>Costs relating to the purchase and sale of the Notes</i></p> <p>Commissions and other costs, which are incurred by a potential investor in connection with the purchase and/or sale of Notes, may significantly reduce the income generated by an investment in the Notes.</p> <p><i>Credit Ratings and other ratings</i></p> <p>Any rating which may, in the future, be assigned to the Notes, may not adequately reflect all risks of the investment in such Notes. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes.</p> <p><i>Early redemption</i></p> <p>The Final Terms will specify in which cases the Issuer has the right to call the Notes prior to maturity or at the option of the Issuer (call option) on one or several dates determined beforehand or whether the Notes will be subject to early redemption in case of the occurrence of an event specified in the conditions of the Notes. Since the Issuer may redeem some Notes prior to their maturity, it is possible that the Noteholders may receive less or substantially less redemption monies than if the Issuer redeemed such Notes on their stated Maturity Date.</p> <p><i>Further issuances</i></p> <p>The Issuer may create and issue under each Segregated Portfolio further notes having the same terms and conditions in all respects as the</p>

Element	Title	
		<p>outstanding Notes except for the issue date, so that such further issue shall be consolidated and form a single series with the relevant series of the outstanding Notes or upon such terms and conditions as the Issuer may determine at the time of their issue (with a different fee structure (as applicable)).</p> <p><i>Hedging costs</i></p> <p>Potential investors may not be able, or only be able at important costs, to enter into hedging agreements to limit the risk that is generated by an investment in the Notes. Such hedging costs may significantly reduce the income generated by an investment in the Notes.</p> <p><i>Investment Period</i></p> <p>Prospective investors should note that an investment in the Notes is depending on the relevant (minimum) investment period of the relevant Notes and thus constitutes a medium-term or a long-term investment with no certainty of return. A Noteholder may only receive any payment from the Issuer at the Maturity Date or predefined early redemption dates, which will/may occur after a considerable period of time from the date of acquiring the Notes.</p> <p><i>Lack of security</i></p> <p>As the Issuer has not created any security interest over the assets in the Segregated Portfolio to secure its obligations in respect of the Notes, no such security interests exist for the benefit of the Noteholders (or other Portfolio Parties).</p> <p><i>Legality of purchase</i></p> <p>A prospective investor may not rely on the Issuer, any distributor or financial intermediaries or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.</p> <p><i>Limitation on payments</i></p> <p>Payments to be made by the Issuer under the Notes are expressly subject to availability of corresponding funds in a Segregated Portfolio and therefore, by subscribing the Notes, the Noteholders incur the risk that they will lose all or part of their investment in the Notes. Furthermore, the Notes are subject to a qualified subordination clause.</p> <p><i>Limited recourse</i></p> <p>All payments to be made by the Issuer in respect of the Notes will be made only from the assets of the Segregated Portfolio. The Noteholders will consequently bear, amongst others, the insolvency risk of Timberland Investment SA as issuer of the Underlying Securities or its successor or Substitute Issuer(s). To the extent that the assets of the Segregated Portfolio are less than the minimum amount which the Noteholders of the outstanding Notes were scheduled to receive, such shortfall will be borne solely by the Noteholders.</p> <p><i>Liquidity risk</i></p>

Element	Title	
		<p>Regardless of whether the Notes are listed or not, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. In an illiquid market, an investor is subject to the risk that the investor will not be able to sell his Notes at any time at fair market prices. Moreover, the possibility to sell the Notes may additionally be restricted by country specific reasons. In addition, Noteholders should be aware that the Issuer has no influence on the suspension, interruption, or termination of trading in the Notes (other than where trading in the Notes is terminated upon the Issuer's decision), and Noteholders bear the risks connected with any trading suspension, interruption or termination.</p> <p><i>Loan-financed investments</i></p> <p>In case of financed investments in the Notes, a potential investor should not rely on the fact that the income generated by an investment in the Notes will suffice to repay the loan itself and the interest thereon.</p> <p><i>Market price risk</i></p> <p>A Noteholder is exposed to the risk of an unfavourable development of market prices of his Notes which materialises if the Noteholder sells the Notes prior to the Maturity Date of the Notes.</p> <p><i>Senior ranking fees and expenses</i></p> <p>Certain amounts, including but not limited to amounts payable to any agents and service providers, rank senior to payments of any redemption monies under the Notes to the Noteholders.</p> <p><i>Substitution of the Issuer</i></p> <p>The amounts which Noteholders should receive in respect of the Notes may be affected in the event that the Issuer substitutes another company for itself as issuer of the Notes under the conditions of the Notes.</p> <p><i>Taxation regimes</i></p> <p>Noteholders may be subject to the applicable national taxation regime that may affect the outcome of the investment in the Notes.</p> <p>[Specific risks relating to the Notes</p> <p><i>[In the case of all Securities, where the specified currency is not the Euro, insert:</i></p> <p><i>Currency risk and currency exchange risk</i></p> <p>A Noteholder of Notes denominated in a foreign currency is exposed to the risk that changes in currency exchange rates may affect the yield of such Notes. Furthermore, in the event of any irregularities or manipulations in connection with the fixing of currency exchange rates, this also may have a material adverse effect on the Notes. Currencies may also be devalued or replaced by a different currency whose development cannot be predicted.]</p>

Element	Title	
		<p><i>[In the case of non-interest bearing Securities, insert:</i></p> <p><i>Lack of interest payments</i></p> <p>Noteholders will not receive any periodic interest payments on the Notes or any interest payment at maturity.]</p> <p><i>[In the case of Securities where noteholder meetings provisions are applicable, insert:</i></p> <p><i>Modification</i></p> <p>The conditions of the Notes provide for meetings of Noteholders to consider matters affecting their interests generally. These provisions permit, among other things, defined majorities to bind all Noteholders of a series of Notes, including Noteholders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. The conditions of the Notes also provide that the Issuer may, without the consent of Noteholders, make any modification to the relevant conditions of the Notes which is of a formal, minor or technical nature, or is made to correct a manifest or proven error, or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated or to reflect any change of law which has an impact on the Issuer's obligations under the Notes.]]</p>

Section E – Offer

Element	Title	
E.2b	Reasons for the offer and use of proceeds	Unless otherwise specified in the applicable Final Terms, the Issuer may use parts of the issue proceeds to invest in assets that are suitable to ensure full and punctual payment under the Notes. The Issuer may but shall not be obliged to directly, indirectly, or synthetically invest in the Underlying Securities issued by Timberland Investment SA or its successor or Substitute Issuer(s). The Issuer is free to use the proceeds as it wishes.
E.3	Terms and conditions of the offer	<p>The terms and conditions of the offer of the Notes are as follows:</p> <p>(a) Offer Period:</p> <p>The Offer Period (the Offer Period) started on [●] and will finish on [●].</p> <p>The Subscription Period [I] (the Subscription Period [I]) [begins][began] on [●] and will end on [●].</p> <p>[The Subscription Period II (the Subscription Period II) [begins][began] on [●] and will end on [●].]</p> <p>[The Issuer intends to continue the Subscription Period [II] after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus.] [The Issuer reserves the right to close the Subscription Period[s] [I] [e.g. a maximum aggregated principal amount of [EUR][GBP][CHF][USD][●] [and] [II] earlier [e.g. a maximum aggregated principal amount of [EUR][GBP][CHF][USD][●] has been</p>

Element	Title	
		<p>reached] [and][or] to extend the Subscription Period [II] [up to [insert number] [day(s)] [month(s)] [year(s)] ([insert time] [a.m.][p.m.] local time [(CE[S]T))][the [insert last day of Subscription Period] [(insert time] [a.m.][p.m.] local time [(CE[S]T))].]</p> <p>The Issuer reserves the right for any reason to close the Offer Period early. The Issuer will also regularly inform the Noteholders during the Offer Period by publishing the relevant information on the website of the Issuer on [www.timberlandsecurities.com][insert website] or any successor or replacement address thereto.</p> <p>[The Issuer reserves the right to continue the public offer subject to the filing of new Final Terms for the Securities under one or more base prospectus(es) with a longer period of validity.]</p> <p>(b) Price during the Offer Period:</p> <p>During the Offer Period, the Issuer will offer and sell the Notes at the applicable subscription price[s] (the Subscription Price [and together, the Subscription Prices]) as determined as follows:</p> <p>The Subscription Price [I] means the price of the Notes subscribed for during the Subscription Period [I]. The Subscription Price [I] corresponds to the Nominal Amount [plus the Front-Up Commission [I]] [plus][minus] [●].</p> <p>[The Subscription Price II means the price in respect of the Notes subscribed for during the Subscription Period II. The Subscription Price II corresponds to the [(i)] product of (A) the Nominal Amount and (B) the Index Level on the relevant Subscription Date [and (ii)] plus the Front-Up Commission [I]] [and Front-Up Commission II] [and (iii)] [plus][minus] [●].]</p> <p>The Subscription Price[s] will be published on each Business Day on the Issuer's website [(www.timberlandsecurities.com)][●] or any successor or replacement address thereto.</p> <p>Whereby:</p> <p>Front-Up Commission I means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]</p> <p>Front-Up Commission II means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]</p> <p><i>[in case of Limited Recourse Index-Linked Bearer Notes, insert:</i></p> <p>Subscription Date means the later of (i) the Business Day on which the Issuer receives the completed subscription declaration and any documents necessary under applicable laws (if any) from the relevant investor and (ii) the Business Day on which the Issuer receives the relevant Subscription Price (after conversion, if applicable) on the account of the Issuer.]</p> <p><i>[in the case of Limited Recourse Index-Linked Registered Notes, insert:</i></p>

Element	Title	
		<p>Subscription Date means the later of (i) the Business Day on which the Issuer receives the completed subscription agreement and any documents necessary under applicable laws (if any) from the relevant investor and (ii) the Business Day on which the Issuer receives the relevant Subscription Price (after conversion, if applicable) on the account of the Issuer.]</p> <p>(c) Conditions of the offer:</p> <p>[The Issuer reserves for any reason the right to withdraw the offer of the Notes for any reason at any time prior to the end of the Offer Period and subject to the Final Terms the continuation of the public offering of the Securities after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus. The Issuer reserves subject to the Final Terms the right for any reason to continue the public offer subject to the filing of new Final Terms for the Securities under a base prospectus with a longer period of validity.][●]</p> <p>(d) The time period during which the offer of the Notes will be open and description of the application process:</p> <p>[The offer of the Notes will be open during the Offer Period. Applications for the purchase of Notes can be made to the Issuer with a copy to the [Distribution Agent[s] at [its] [their] address[es] at [●]][●].][●]</p> <p>(e) Details of the minimum and/or maximum amount of application:</p> <p>[There is no minimum allocation of Notes per investor. The maximum allocation of Notes will be subject only to availability at the time of the application.][●]</p> <p>(f) Details of the method for paying up and delivering the Notes:</p> <p>[The Notes will be sold against payment of the Subscription Price to the Issuer or to any agent designated by the Issuer for the purpose of receiving payments in any other currencies than Euro. Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor's application.][●]</p> <p>(g) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</p> <p>[Not applicable.][●]</p> <p>(h) Manner and date in which results of the offer are to be made public:</p> <p>[The offer volume is up to [500,000,000,000][●] Notes with an initial nominal value of [EUR][GBP][CHF][USD][●] [1.00][●] each in respect of the Notes issued on [●].][●]</p> <p>(i) Description of the offer of the Notes:</p> <p>[Offers may be made in [the Republic of Austria][,][and] [the Republic of Croatia][,][and] [the Republic of Cyprus][,][and] [the Czech Republic][,][and] [the Federal Republic of Germany][,][and] [the French Republic][,][and] [Hungary][,][and] [the Republic of Ireland][,][and] [the</p>

Element	Title	
		<p>Italian Republic][,][and] [the Principality of Lichtenstein][,][and] [the Grand Duchy of Luxembourg][,][and] [the Republic of Malta][,][and] [the Republic of Poland][,][and] [Romania][,][and] [the Slovak Republic][,][and] [the Republic of Slovenia][,][and] [the Kingdom of Spain][,][and] [the United Kingdom of Great Britain and Northern Ireland][,][and] [●] ([collectively,] the Public Offer Jurisdiction[s]) to any person during the Offer Period. In other European Economic Area (EEA) countries offers during the Offer Period may only be made pursuant to an exemption from the obligation under the Directive 2003/71/EC, as implemented in such countries, to publish a prospectus.]</p> <p>[The offers to be made in [each][the] Public Offer Jurisdiction will be made exclusively by the Distribution Agent[s] and the agent[s] appointed by the Distribution Agent[s] for this purpose. Such offers will be made through different communication channels including public announcements, advertisements, mailing of quarterly reports or newsletters to existing or future investors, marketing activities in connection with coordinated advertising brochures and other printed matter.]</p> <p>[●]</p>
E.4	Interest of natural and legal persons involved in the issue/offer	<p>[Other than as mentioned in the relevant Elements above and so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.][●]</p>
E.7	Expenses charged to the investor by the Issuer or an offeror	<p>[Not applicable. No expenses will be charged to investors by the Issuer or an offeror on top of the Subscription Price[s] [(which includes [a Front-Up Commission I]] [and a Front-Up Commission II] [and] [●] [and] [a Redemption Fee I] of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●]] [and] [a Redemption Fee II] of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●]])] per Note.</p> <p>[Whereby:</p> <p>[Redemption Fee I] means a commission of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●] per Note.]</p> <p>[Redemption Fee II] means a commission of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●] per Note.]]</p> <p>[●]</p>

RISK FACTORS

Prospective investors in the Notes should ensure that they fully understand the nature of the Notes, as well as the extent of their exposure to risks associated with an investment in the Notes. They should consider the suitability of an investment in the Notes in light of their own particular financial, fiscal and other circumstances. In particular, prospective investors should be aware that the Notes may decline in value and should be prepared to sustain a substantial or total loss of their investment in the Notes and ensure that their acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of their location or incorporation and/or in which they operate, and is a suitable investment for them to make.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal or other amounts under or in connection with the Notes may occur for other reasons, which may not be or may not have been considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

1. RISK FACTORS RELATING TO THE ISSUER

1.1 Risks in connection with the Issuer qualifying as a special purpose vehicle

As a special purpose vehicle, the Issuer's sole business is the raising of money by issuing securities for the purposes of acquiring the assets described in this Base Prospectus.

Therefore, the Notes to be issued on behalf of a Segregated Portfolio of the Issuer will be solely liable for any liabilities of the Issuer under the Notes.

1.2 Risks in connection with the Companies Law (2016 Revision) and segregated portfolios in general

The Issuer is an exempted limited liability company established under the laws of the Cayman Islands and registered as a segregated portfolio company under Part XIV of the Companies Law. The board of directors of the Issuer has and may establish one or more segregated portfolios in accordance with the terms of Section 216 of the Companies Law. The Issuer is permitted by its constitutive documents to operate as a securitisation vehicle and to issue financial instruments whose value or yield is linked to specific segregated portfolios, assets or risks, or whose repayment is subject to the repayment of other instruments, certain claims or certain categories of shares.

As a consequence, by subscribing to, or otherwise acquiring, the Notes, the Noteholders will, and shall be deemed to, fully adhere to, and be bound by, the Conditions of the Notes and the Company Articles.

1.3 Risks in connection with the Segregated Portfolios relating to the Notes

Pursuant to the Companies Law, claims against the Issuer by the relevant Noteholders and of the other Portfolio Parties (as defined below) will be limited to the net assets of the relevant Segregated Portfolio. If the respective Segregated Portfolio is liquidated, only its assets shall be applied in accordance with the respective Conditions of the relevant Notes.

1.4 Risks in connection with other creditors in respect of the Segregated Portfolios

Pursuant to Part XIV of the Companies Law and the Conditions, the Portfolio Assets (that include, without limitation, cash and assets attributed to a Segregated Portfolio which may but do not have to

be the Underlying Securities) are exclusively available to satisfy the rights of the Noteholders and the rights of any other creditor whose claims have arisen in connection with the creation, the operation or the liquidation of a Segregated Portfolio, including holders of Notes of the relevant Segregated Portfolio, if any (each a **Portfolio Party** and collectively, the **Portfolio Parties**). Notwithstanding the foregoing, the Issuer is not aware of any claims of persons other than a Portfolio Party that have arisen or may in the future arise on terms that such claims would be entitled to be satisfied from the Portfolio Assets. However, if such claims exist at the issue date of the Notes or will arise in the future, they may have a material and adverse effect on the value of the Portfolio Assets available to meet the claims of the Noteholders and other Portfolio Parties, and therefore the Portfolio Assets may not be sufficient to satisfy all amounts scheduled to be paid to the Noteholders and other Portfolio Parties.

1.5 Risks in connection with the limited recourse and non-petition mechanism

The rights of Noteholders and other Portfolio Parties to participate in the assets of the Issuer are limited to the relevant Portfolio Assets in accordance with Part XIV of the Companies Law and the Conditions. If the payments and/or deliveries received by the Issuer in respect of Portfolio Assets are not sufficient to discharge the relevant amounts payable or deliverable by the Issuer to the Portfolio Parties (the **Portfolio Liabilities**), the obligations of the Issuer in respect of such Portfolio Liabilities, including the relevant Notes, will be limited to the Portfolio Assets. The Issuer will not be obliged to make any further payments and/or deliveries to any Portfolio Parties, including the Noteholders, in excess of the amounts received upon the realisation of the Portfolio Assets. Following the application of the proceeds of realisation of the Portfolio Assets in accordance with the Conditions, the terms and conditions of other notes (if any) and the Company Articles, the claims of the Noteholders and any other Portfolio Parties for any shortfall shall be extinguished and the Noteholders and the other Portfolio Parties (and any person acting on behalf of any of them) may not take any further action to recover such shortfall.

In particular, no party has the right to (i) petition for the winding-up, the liquidation or the bankruptcy of the Issuer or (ii) apply for a receivership order under Section 224 of the Companies Law in respect of the relevant Segregated Portfolio or any other segregated portfolio of the Issuer as a consequence of any shortfall (as described above) or to take any similar proceedings. Failure to make payment in respect of any shortfall shall in no circumstances constitute an event of default under the Conditions. Consequently, any shortfall under a Segregated Portfolio shall be borne by the relevant Noteholder and each other Portfolio Party.

Furthermore, the Noteholders may be exposed to competing claims of other creditors of the Issuer, the claims of which have not arisen in connection with the creation, the operation or the liquidation of the relevant Segregated Portfolio if foreign courts, which have jurisdiction over assets of the Issuer allocated to a segregated portfolio (including a Segregated Portfolio) do not recognise the segregation of assets and liabilities, as provided for in the Companies Law. The claims of these other creditors may affect the scope of assets which are available for the claims of the Noteholders and other Portfolio Parties. If as a result of such claims, a shortfall arises, such shortfall will be borne by the Noteholders and each other Portfolio Party.

1.6 Risks in connection with the consequences of an application for the commencement of winding-up proceedings or similar proceedings

The Issuer is structured to be a bankruptcy-remote vehicle. The Issuer will aim at contracting with each Portfolio Party with respect to Portfolio Liabilities only upon terms whereby such party agrees not to make application for the commencement of winding-up, liquidation and bankruptcy or similar proceedings against the Issuer. Legal proceedings initiated by a Noteholder or any other Portfolio Party against the Issuer in breach of these provisions shall, in principle, be declared inadmissible by the courts of the Cayman Islands.

1.7 Risks in connection with third parties

The Issuer is party to contracts with a number of third parties who have agreed to perform a number of services in relation to the Notes. If any such third party fails to perform its obligations under any relevant agreement, Noteholders may be adversely affected.

1.8 Risks in connection with conflicts of interest

Potential conflicts of interest related to the relevant Segregated Portfolios

The Issuer may create additional segregated portfolios under which it may invest in the same assets as, or in assets similar to, the assets in which already existing Segregated Portfolios have invested. Furthermore, the investment policy of each Segregated Portfolio may compete or be in conflict with the investment policy of other Segregated Portfolios or additional segregated portfolios set up or to be set up by the Issuer, as the case may be. Besides, Noteholders do not have the right to switch from one Segregated Portfolio to another Segregated Portfolio or segregated portfolio of the Issuer or to receive any compensatory payments whatsoever as a result of such competing investment policy. There are, or may be, potential conflicts of interests in relation to the investment policies applicable to the various Segregated Portfolios of the Issuer and the agents performing obligations in connection with the Notes.

1.9 Risks in connection with Cayman Islands Anti-Money Laundering Legislation

The Issuer is subject to the Anti-Money Laundering Regulations, 2017 of the Cayman Islands ("**Regulations**"). The Regulations apply to anyone conducting "relevant financial business" in or from the Cayman Islands intending to form a business relationship or carry out a one-off transaction. The Regulations require a financial service provider to maintain certain anti-money laundering procedures including those for the purposes of verifying the identity and source of funds of an "applicant for business"; e.g. an investor, as well as the identity of the beneficial owner/controller of the investor, where applicable. Except in certain circumstances, including where an entity is regulated by a recognised overseas regulatory authority and/or listed on a recognised stock exchange in an approved jurisdiction, the Issuer will likely be required to verify each investor's identity and the source of the payment used by such investor for purchasing the Notes in a manner similar to the obligations imposed under the laws of other major financial centres. Application of an identity verification exemption at the time of purchase of the Notes may nevertheless require verification of identity prior to payment of proceeds from the Notes. In addition, if any person in the Cayman Islands knows or suspects, or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering, or is involved with terrorism or terrorist financing and property, and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands ("**FRA**"), pursuant to the Proceeds of Crime Law (2017 Revision) of the Cayman Islands ("**PCL**"), if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Law (2017 Revision) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property.

If the Issuer were determined by the Cayman Islands authorities to be in violation of the PCL, the Terrorism Law or Regulations, the Issuer could be subject to substantial criminal penalties and/or administrative fines. The Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by the Issuer to the Noteholders.

2. RISK FACTORS RELATING TO THE NOTES

2.1 The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in, or incorporated by reference into, this Base Prospectus or any supplement thereto;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes where the currency for principal payments is different from the potential investor's currency;
- understand fully the respective Conditions of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

2.2 General risks relating to the Notes

The following general risks may apply to the Notes:

Change of law

The respective Conditions of the Notes are based on Luxembourg law now in force. No assurance can be given as to the impact of any possible judicial decision or change to Luxembourg law or administrative practice after the date of this Base Prospectus.

Commissions, fees and costs to be paid by the Issuer

Distribution commissions or other similar fees charged by the Issuer's distribution agents and other fees and costs (including as applicable arranging fees and arranger prefunded amounts (as defined in the Conditions) reduce the total amount of the net issue proceeds. Therefore, the issue proceeds available to the Issuer for the purpose of investing in the Underlying Securities or other assets may be reduced accordingly.

Costs relating to the purchase and sale of the Notes

Commissions and other costs, which are incurred by a potential investor in connection with the purchase and/or sale of Notes, may significantly reduce the income generated by an investment in the Notes.

Credit Ratings and other ratings

Any rating which may, in the future, be assigned to the Notes, may not adequately reflect all risks of the investment in such Notes. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes. A (credit) rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Early redemption

The relevant Final Terms will specify in which cases the Issuer has the right to call the Notes prior to maturity or at the option of the Issuer (call option) on one or several dates determined beforehand or whether the Notes will be subject to early redemption in case of the occurrence of an event specified in the Conditions. Since the Issuer may redeem some Notes prior to their applicable maturity date, it is possible that the Noteholders may receive less or substantially less redemption monies than if the Issuer redeemed such Notes on their stated maturity date. Early redemption of Notes prior to their stated maturity date may have a material adverse effect on the redemption price of such Notes and may have a negative impact on the investment strategy of an investor in the Notes.

Further issuances

The Issuer may from time to time, without the consent of the Noteholders, create and issue under each Segregated Portfolio further notes (i) having the same terms and conditions in all respects as the outstanding Notes except for the issue date, so that such further issue shall be consolidated and form a single series with the relevant series of the outstanding Notes or (ii) upon such terms and conditions as the Issuer may determine at the time of their issue (with a different fee structure (as applicable)). The Issuer may, without the consent of the Noteholders, issue all types of securities under other segregated portfolios set up by it.

Hedging costs

Potential investors may not be able, or only be able at important costs, to enter into hedging agreements to limit the risk that is generated by an investment in the Notes. Such hedging costs may significantly reduce the income generated by an investment in the Notes.

Investment period

Prospective investors should note that an investment in the Notes is depending on the relevant (minimum) investment period of the relevant Notes and thus constitutes a medium-term or long-term investment with no certainty of return. A Noteholder may only receive any payment from the Issuer at the relevant maturity date or predefined early redemption dates, which will/may occur after a considerable period of time from the date of acquiring the Notes. No interim payments will be made during the term of the Notes.

Lack of security interests

The Issuer has not created any security interest over the Portfolio Assets to secure its obligations in respect of Portfolio Liabilities and in respect of the Notes and no such security interests exist for the benefit of the Noteholders or other Portfolio Parties.

Legality of purchase

The Issuer has or assumes no responsibility for the lawfulness of the acquisition of the Notes by a potential investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different) or for compliance by that potential investor with any laws, regulation or regulatory policy applicable to it. A potential investor may not rely on the Issuer, any distributor or financial intermediaries or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

Limitation on payments

Payments to be made by the Issuer under the Notes are expressly subject to availability of corresponding funds in a Segregated Portfolio and therefore, by subscribing the Notes, the Noteholders incur the risk that they will lose all or part of their investment in the Notes.

Furthermore, the Notes are subject to the following qualified subordination clause: All claims under the Notes, including but not limited to the claims for payment of the relevant redemption amount (as set out in the relevant Final Terms) and the interest payment amount (if any), applying mutatis mutandis in accordance with Section 19 (2) sentence 2 of the German Insolvency Code (*Insolvenzordnung, InsO*) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in Section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in Section 39 (2) InsO. A waiver with respect to the claims is not possible.

Limited recourse

All payments to be made by the Issuer in respect of the Notes will be made only from the Portfolio Assets. The Noteholders will consequently bear, amongst others, the insolvency risk of Timberland Investment as issuer of the Underlying Securities. To the extent that the Portfolio Assets are less than the minimum amount which the Noteholders of the outstanding Notes were scheduled to receive (the difference being referred to herein as a shortfall), such shortfall will be borne solely by the Noteholders.

Each Noteholder, by subscribing to or purchasing the Notes, shall be aware that it accepts and acknowledges, and will be deemed to accept and acknowledge, that (i) the Noteholders shall look solely to the Portfolio Assets for payments and (if any) deliveries to be made by the Issuer under the Notes, (ii) the monies received in respect of the Portfolio Assets will be used first to pay various costs before distributions will be made to the Noteholders, (iii) the obligations of the Issuer to make payments and deliveries under the Notes will be limited to the Portfolio Assets and the Noteholders shall have no further recourse to the Issuer (or any of its rights, assets or properties) in respect of the Notes, (iv) following the application of the Portfolio Assets, and without prejudice to the foregoing, any right of the Noteholders to claim payment of any amounts or assets exceeding the Portfolio Assets shall be automatically extinguished and thereafter not revive, and (v) the Noteholders shall not be able to (i) petition for the winding up, the liquidation or the bankruptcy of the Issuer or (ii) apply for a receivership order under Section 224 of the Companies Law in respect of the Segregated Portfolio or any other segregated portfolio of the Issuer as a consequence of any shortfall or otherwise.

Any recourse against the shareholders or the directors of the Company in respect of obligations assumed by the Issuer or any segregated portfolio under the Notes is excluded.

Liquidity risk

Application may or will be made to include or list and trade Notes issued under this Base Prospectus on non-regulated markets, regulated markets or organised trading facilities (OTF), which also may be regulated or unregulated (as specified in the relevant Final Terms).

Regardless of whether the Notes are listed or not, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity than if they were not listed. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor is subject to the risk that the investor will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes may additionally be restricted by country specific reasons.

In addition, Noteholders should be aware that the Issuer has no influence on the suspension, interruption, or termination of trading in the Notes (other than where trading in the Notes is terminated upon the Issuer's decision), and Noteholders bear the risks connected with any trading suspension, interruption or termination. Noteholders should be aware that they may not be able to

sell their Notes in such instances and should also note that during periods of suspension or interruption of trading, stock exchange quotations may not adequately reflect the price of the Notes.

Loan-financed investments

A potential investor that finances its investment in the Notes via a loan should not rely on the fact that the income generated by an investment in the Notes will suffice to repay the loan itself and the interest thereon. In the case of a loss of the investment, the investor would still have to repay the loan and the interest thereon.

Market price risk

In case the Notes are listed or included for trading on a stock exchange or OTF, the development of market prices of the Notes depends on various factors, such as changes of the market rate interest levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Noteholder is therefore exposed to the risk of an unfavourable development of market prices of his Notes which materialises if the Noteholder sells the Notes prior to the maturity date of such Notes. If a Noteholder decides to hold the Notes until its final maturity, the Notes will be redeemed at the amount set out in or determined pursuant to the provisions contained in the relevant Final Terms.

Senior ranking fees and expenses

In connection with the Notes, Noteholders should note that certain amounts, including but not limited to amounts payable to any agents and service providers, rank senior to payments of any redemption monies under the Notes to the Noteholders.

Substitution of the Issuer

The Conditions contain provisions for the substitution of another company as principal debtor under the Notes in place of the Issuer. The amounts which Noteholders should receive in respect of the Notes may be affected in the event that the Issuer substitutes another company for itself as issuer of the Notes under the Conditions.

Taxation regimes

Noteholders invested in the Notes may be subject to applicable national taxation regimes that may affect the outcome of the investment in the Notes. For further information, please see section entitled "*Taxation*" of this Base Prospectus.

2.3 Specific risks relating to the Notes

The following specific risks may apply to the Notes:

Currency risk and currency exchange risk

If the Notes are denominated in a currency other than the currency of the jurisdiction where a Noteholder is domiciled or where the Noteholder seeks to receive funds, there is a currency exchange rates risk. As exchange rates between currencies (so-called currency exchange rates) are determined by factors of supply and demand in the international currency markets and are influenced by macro-economic factors, speculations and interventions by the central banks and governments as well as by political factors (including the imposition of currency controls and restrictions). In addition, there are other factors (e.g. psychological factors) which are almost impossible to predict (e.g. a crisis of confidence in the political regime of a country) and which also may have a material impact on currency exchange rates. Moreover, currencies may be very volatile. In the event of any irregularities or manipulations in connection with the fixing of currency exchange rates, this may have a material adverse effect on the Notes.

In addition, currencies may also be devalued or replaced by a different currency whose development cannot be predicted.

Lack of interest payments

In case of Non-Interest Bearing Notes, the Notes will not pay any interest or coupon and thus do not grant a claim to the payment of a regular income. Possible losses under the Notes can therefore not be compensated by means of other income received under the Notes.

Modification

The respective Conditions of the Notes may provide for meetings of Noteholders (in relation to which the detailed provisions are reproduced in this Base Prospectus) to consider matters affecting their interests generally. These provisions permit, among other things, defined majorities to bind all holders of a series of Notes, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The respective Conditions of the Notes also provide that the Issuer may, without the consent of Noteholders, make any modification to the relevant Conditions which is of a formal, minor or technical nature, or is made to correct a manifest or proven error, or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated or to reflect any change of law which has an impact on the Issuer's obligations under the Notes.

3. RISK FACTORS RELATING TO THE UNDERLYING INDEX

3.1 Risks arising from potential conflicts of interest

The Notes are linked to the performance of an Index and, therefore, its Securities Component. In this context, the following additional conflicts of interest may exist:

Potential conflicts of interest related to the issuance of additional notes linked to the same Index

The Issuer, any distributor and any of their affiliates may issue securities with respect to an Index on which notes already have been issued. This increases the offer and, therefore, may limit the possibility to trade the Notes in case of limited demand. An issuance of such new competing notes may, therefore, adversely affect the tradability of the Notes.

Potential conflicts of interest related to Index-related information

In the course of their business activities or otherwise, the Issuer, any distributor or any of their affiliates may be in possession of or may acquire important Index-related information (also not publicly available) over the term of the Notes. The issuance of Notes does, in particular, not create any obligation to disclose such information (whether confidential or not), which is related to the Index or its components, to the Noteholders, or to consider such information in the course of the issuance of the Notes.

Potential conflicts of interest related to business activities

The Issuer, any distributor or any of their affiliates may, without regard to the interests of Noteholders, deal with other issuers, any of their affiliates, or competitors and engage in any kind of business activities. Any such action may, with respect to the Noteholders, adversely affect the Index Level (as defined in the Conditions) and the value of the Underlying Securities.

Potential conflicts of interest related to indices

If the Issuer or any of its affiliates acts as index sponsor, index calculation agent, advisor or as a member of an index committee, or in a similar position, this may lead to conflicts of interest. In relation to such function, the Issuer or any of its affiliates may, inter alia, calculate the price of the respective Index, carry out adjustments (e.g. by exercising its reasonable discretion) to the Index

Strategy, replace the Index Components and/or determine the weighting. These measures may have an adverse effect on the performance of the Index, and thus on the value of the Notes and/or the amounts to be distributed under the Notes.

3.2 Risks relating to an Index

The following risks with respect to an Index may apply:

Benchmark Regulation

Risks may arise from the Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (the "**Benchmark Regulation**"). There is a risk that an Index may be subject to the Benchmark Regulation and therefore may qualify as a benchmark (the "**Benchmark**") within the meaning of the said regulation. As a result, a Benchmark may either change in content or be modified otherwise, discontinued or may no longer be used in the Notes, in particular if an admission, recognition or registration of the Index Sponsor or the Index Calculation Agent (as defined in the Conditions) or the registration of the respective Index as a Benchmark is not granted or withdrawn afterwards. More precisely, a Benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognised" pending such a decision and is not "endorsed" for such purpose. Consequently, it might not be possible to further utilise a Benchmark as an Index for the Notes. In such event, depending on the respective Benchmark and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted. This may materially adversely affect the market value of the Notes and the amounts payable under the Notes.

Currency risk

The direct or indirect Index Components may be denominated in different currencies and therefore exposed to different currency influences (this particularly applies to country or sector related indices). In such cases, Noteholders are confronted with several currency and currency exchange risks, which may not be obvious for a Noteholder.

Fees, expenses and costs

The Index reflects the performance/value of a basket consisting of the Index Components subject to the deduction of certain fees, expenses and costs which is significant. These fees and costs reduce the level of the Index. This may have a negative effect on the performance of the Index.

Instruments underlying the Index

Each Index reflects the performance/value of a basket consisting of a Securities Component and a Cash Component. As the Securities Component, to a large extent, contains the Underlying Securities, the performance of the respective Index primarily depends on the performance of the Underlying Securities.

3.3 Risks relating to the Issuer of the Underlying Securities

The following risks may apply to Timberland Investment:

Timberland Investment qualifies as a special purpose vehicle

Timberland Investment's sole business is the raising of money by issuing securities for the purposes of acquiring assets. Besides that, there is no other source available to generate additional income or earnings.

Securitisation Act 2004 and compartment structure in general

Pursuant to the Securitisation Act 2004, claims against Timberland Investment by an investor and by other Compartment Parties (as defined below) will be limited to the net assets of a specific compartment (each a **Compartment** and together, the **Compartments** (as described in the section entitled "*Description of the Underlying Securities*")) to which the relevant Underlying Securities will have been allocated (the **Compartment Assets** (as described in the section entitled "*Description of the Underlying Securities*")). If a Compartment is liquidated, its assets shall be applied in accordance with the respective terms and conditions of the Underlying Securities.

Claims of other creditors

The Compartment Assets are exclusively available to satisfy the rights of the holders of the relevant Underlying Securities and the rights of any other creditor whose claims have arisen in connection with the creation, the operation or the liquidation of the relevant Compartment, if any, e.g. the various agents of Timberland Investment (each a **Compartment Party** and collectively, the **Compartment Parties**). The amounts payable or deliverable by Timberland Investment to the relevant Compartment Party, including under the Transaction Documents (as defined in the section entitled "*Description of the Underlying Securities*"), are referred to as **Compartment Liabilities**. Timberland Investment is not aware of any claims of persons other than a Compartment Party that have arisen or may in the future arise on terms that such claims would be entitled, under the Securitisation Act 2004, to be satisfied from the Compartment Assets. However, if such claims exist at the issue date of the Underlying Securities or will arise in the future, they may have a material and adverse effect on the value of the Compartment Assets available to meet the claims of the relevant holders of Underlying Securities and other Compartment Parties, and therefore the Compartment Assets may not be sufficient to satisfy all amounts scheduled to be paid to the relevant holders of Underlying Securities and other Compartment Parties.

In addition, holders of Underlying Securities may be exposed to competing claims of other creditors of Timberland Investment, the claims of which have not arisen in connection with the creation, the operation or the liquidation of the relevant Compartment if foreign courts, which have jurisdiction over assets of Timberland Investment allocated to a compartment (including the Compartments) do not recognise the segregation of assets and the compartmentalisation, as provided for in the Securitisation Act 2004. The claims of these other creditors may affect the scope of assets which are available for the claims of the relevant holders of Underlying Securities and other Compartment Parties. If as a result of such claims, a shortfall arises, such shortfall will be borne by the relevant holders of Underlying Securities and other Compartment Parties.

Limited recourse and non-petition

The rights of an investor are limited to the Compartment Assets. If the payments and/or deliveries received by Timberland Investment in respect of the Compartment Assets are not sufficient to discharge all Compartment Liabilities, the obligations of Timberland Investment in respect of the Compartment Liabilities, including the Underlying Securities, will be limited to the Compartment Assets. Timberland Investment will not be obliged to make any further payments and/or deliveries to any Compartment Parties in excess of the amounts received upon the realisation of the Compartment Assets. The claims of the relevant holders of Underlying Securities and any other Compartment Parties for any shortfall shall be extinguished and the relevant holders of Underlying Securities and the other Compartment Parties (and any person acting on behalf of any of them) may not take any further action to recover such shortfall.

In particular, no such party has the right to petition for the winding up, the liquidation or the bankruptcy of Timberland Investment as a consequence of any shortfall or to take any similar proceedings. Failure to make payment in respect of any shortfall shall in no circumstances constitute an event of default under the terms and conditions of the Underlying Securities. Any shortfall under the Compartment shall be borne by the relevant holders of Underlying Securities and the other Compartment Parties.

Consequences of winding-up proceedings or similar proceedings

Timberland Investment is structured to be an insolvency-remote vehicle. Timberland Investment will aim at contracting with each Compartment Party with respect to Compartment Liabilities only upon terms that such party agrees not to make application for the commencement of winding-up, liquidation and bankruptcy or similar proceedings against Timberland Investment. Legal proceedings initiated against Timberland Investment in breach of these provisions shall, in principle, be declared inadmissible by a Luxembourg court.

No security interests

Timberland Investment has not created any security interest over the Compartment Assets to secure its obligations in respect of Compartment Liabilities and in respect of the Underlying Securities and no such security interests exist for the benefit of the relevant holder of Underlying Securities or other Compartment Parties.

Reliance on third parties

Timberland Investment is party to contracts with a number of third parties who have agreed to perform a number of services in relation to the Underlying Securities. If any such third party fails to perform its obligations under any relevant agreement, investors may be adversely affected. No assurance can be given that the creditworthiness of the parties to the Transaction Documents will not deteriorate in the future. This may affect the performance of their respective obligations under the respective Transaction Documents.

Potential conflicts of interest

Timberland Investment may create compartments under which it may invest in the same assets as, or in assets similar to, the assets in which already existing compartments have invested. Furthermore, the investment policy of a compartment set up by Timberland Investment may compete, as the case may be, or be in conflict with the investment policy of other compartments set up or to be set up by Timberland Investment, as the case may be. Besides, investors do not have the right to switch from one Compartment to another Compartment or to receive any compensatory payments whatsoever as a result of such competing investment policy. Timberland Investment may invest in bonds of companies related directly or indirectly to the Issuer.

3.4 Risks relating to the different Compartments and its respective Compartment Assets

The following risks may apply to the Compartments and its Compartment Assets:

Risk factors relating to the Equity Portfolio Compartment

Timberland Investment invests the net issue proceeds of the Equity Portfolio Limited Recourse Bonds into a selection of different series of fund shares (the **Fund Shares**) relating to [thirty-one (30)] investment funds (the **Funds** (as described in the section entitled "*Description of the Fund Shares*")).

The following risks may apply to the Equity Portfolio Compartment:

Investment policy

The performance of the Fund Shares is generally dependent on the implementation of the relevant Fund's investment policy.

General risks

The following risks may apply to each of the Funds: Risks resulting from market eruptions and similar negative developments; risks relating to the liquidity/tradeability of the assets invested in;

concentration risks; credit risk; risks related to the use of derivative financial instruments and/or hedging instruments and securities lending transactions; risks in connection with applicable taxation regimes; risks in connection with interest rate movements or exchange rate movements; risks stemming from negative developments in emerging markets; geopolitical risks; prepayment risk; risks related to investments in small and medium sized companies; risks in connection with credit ratings; cancellation risk; inflation risk; risks in connection with the fluctuation of the value of equity investments; risks related to investments in real estate investment trusts; counterparty risk; legal risks; risks stemming from events occurring in the Eurozone; risks in connection with changes in the investment policies of the Funds; custody risks; settlement risks; and risks in connection with costs and expenses to occur in general.

Risk factors relating to the Bonds Portfolio Compartment

Timberland Investment invests the net issue proceeds of the Bonds Portfolio Limited Recourse Bonds into a selection of different types of securities (as described in the section entitled "*Description of the Bonds Portfolio Limited Recourse Bonds*").

The following risks may apply to the Bonds Portfolio Compartment:

Risks related to bonds and covered bonds in general

- *Risks in connection with the market value of bonds*

The market value of bonds and covered bonds will be affected by the creditworthiness of their issuer and a number of additional factors, including but not limited to, the volatility of the market interest and yield rates and the time remaining to the maturity date. The value of bonds and covered bonds depends on a number of interrelated factors, including economic, financial and political events in Europe or elsewhere, including factors affecting capital markets generally and the stock exchanges on which bonds and covered bonds are traded. The price at which an investor will be able to sell its bonds or covered bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

- *Risks in connection with the secondary market*

Bonds and covered bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their bonds or covered bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for bonds and covered bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of bonds and covered bonds generally would have a more limited secondary market and a higher price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of bonds and covered bonds.

- *Risks in connection fixed rate bonds*

Investment in fixed-rate bonds and fixed-rate covered bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed-rate bonds and fixed-rate covered bonds.

- *Risks in connection with floating rate bonds*

The interest rate of bonds and covered bonds which bear interest at a floating rate is typically comprised of (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of bonds and covered bonds but there will be a periodic adjustment of the reference rate

(e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate bonds and floating rate covered bonds may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these bonds and covered bonds upon the next periodic adjustment of the relevant reference rate.

- *Risks in connection with zero coupon bonds*

Changes in market interest rates have a substantially stronger impact on the prices of zero coupon bonds and zero coupon covered bonds than on the prices of conventional bonds and covered bonds because the discounted issue prices are substantially below par. If market interest rates increase, zero coupon bonds and zero coupon covered bonds can suffer higher price losses than other bonds or covered bonds having the same maturity and credit rating. Due to their leverage effect, zero coupon bonds and zero coupon covered bonds are a type of investment associated with a particularly high market price risk.

- *Risks in connection with bonds issued at a substantial discount or premium*

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

- *Risks in connection with optional redemption rights exercised by an issuer of bonds or covered bonds*

An optional redemption feature of bonds and covered bonds is likely to limit their market value. During any period when the issuer may elect to redeem bonds or covered bonds, the market value of those bonds or covered bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

- *Risks in connection with early redemption cases and corresponding reinvestment risks*

An issuer of bonds or covered bonds may, subject to applicable terms and conditions, redeem bonds or covered bonds prematurely when its cost of borrowing is lower than the interest rate on the bonds and covered bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the bonds or covered bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

- *Risks in connection with the Bank Recovery and Resolution Directive and applicable implementation acts*

Instruments issued by an issuer that qualifies as an institution subject to the Bank Recovery and Resolution Directive (the Directive 2014/59/EU of the Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (the **BRRD**) having entered into force in 2014 and further amended in December 2017) may be subject to certain resolution tools.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures or supervisory action would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest:

- the sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms;
- the creation and use of a bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);
- asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and
- bail-in which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to equity (the **general bail-in tool**), which equity could also be subject to any future application of the general bail-in tool. Relevant claims for the purposes of the bail-in tool would include the claims of the holders in respect of any debt securities issued by the issuer subject to the BRRD.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances). The above-mentioned resolution tools may have a negative impact on the holders of such bonds.

Further, the BRRD also provides the right for a EU Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework. In light of implementing the BRRD, the EU Member States have (or will have) adopted national implementation acts specifying the said regulation.

Special risks related to Luxembourg Covered Bonds (Lettres de gage) and German Covered Bonds (Pfandbriefe)

Although covered bonds are asset-backed via a so-called cover pool (i.e. separate pools of specified qualifying assets to cover the aggregate principal amount of the outstanding *lettres de gage* or *Pfandbriefe*, respectively), deteriorating economic conditions and unfavorable regional economic conditions may have a material adverse effect on the credit quality of the assets in the respective cover pool for both the *lettres de gage* and the *Pfandbriefe*. This may lead to a default in the respective cover pool relating to a specific covered bond, which consequently could adversely affect the Bonds Portfolio Limited Recourse Notes. Further, an issuer of covered bonds is generally exposed to the risk of default in a cover pool. The assets contained in a cover pool may also comprise loans to local governments, municipalities and public enterprises. The ability of such borrowers to meet their payment obligations will be affected amongst others by their levels of indebtedness, social spending obligations, interest rates and tax revenue collections, each of which can be adversely affected by a deterioration of general economic conditions. Furthermore, unfavorable regional economic conditions may also have a negative impact on a cover pool, since assets originated or situated in these areas may experience higher rates of loss. Adverse economic conditions may affect the ability of borrowers to make payments relating to claims contained in a cover pool relating to a specific *lettres de gage* or *Pfandbriefe*, respectively.

Special risks related to Contingent Convertible Bonds (CoCoBonds)

- *Risks associated with the conversion mechanism in general*

Contingent convertible instruments are hybrid instruments with embedded derivatives. In contrast to convertible bonds in which the embedded options give a right to the bondholder to convert a fixed-income security into an equity share of the same issuer, a conversion in the case of CoCoBonds (from a fixed-income security into equity) occurs automatically (and mandatorily) upon a certain pre-defined event or a set of events (a so-called trigger). The conversion takes place at the pre-determined conversion rate. CoCoBonds may consist of write-up/write-down features, so that the notes may be written down in regard to repayments and/or interest payments depending on losses suffered by the issuer or trigger events.

- *Risks in connection with the stated term of CoCoBonds*

CoCoBonds qualifying as so-called AT1 instruments are issued as perpetual instruments, callable at predetermined levels only with the approval of the competent authority.

- *Risks in connection with a potential coupon cancellation*

CoCoBonds are structured in a way that coupon payments are, with respect to AT1 instruments, entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any period of time. The cancellation may even happen in a going concern without triggering an event of default. Cancelled coupons are not accumulated, but are written off.

- *Specific risks with respect to AT1 instruments and AT2 instruments*

Applicable legal regimes may require to permanently write-down, or convert into equity, AT1 instruments and (so-called) AT 2 instruments at the (so-called) point of non-viability of the relevant entity and before, or together with, the exercise of any stabilization. For the purposes of the application of such mandatory write-down and conversion power, the point of non-viability is the point at which the relevant national competent authority determines that the relevant issuer meets the conditions for resolution (but no resolution action has yet been taken) or that the relevant entity will no longer be viable unless the relevant capital instruments are written-down or converted or the relevant entity requires extraordinary public support without which the relevant issuer would no longer be viable. Holders of the respective bonds may be subject to write-down or conversion into equity on application of such powers (without requiring such holders' consent), which may result in such holders losing some or all of their investment. The "no creditor worse off" safeguard would not apply in relation to an application of such powers in circumstances where resolution powers are not also exercised.

Risks related to Loan Funds and Loan Origination Funds

- *Risks in connection with the collateralisation of loans*

Collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value.

- *Risks in connection with tradeability of loans*

Loans are not actively traded, which may impair the ability of the respective loan fund to realise full value in the event of the need to liquidate such assets.

- *Risks in connection with the liquidity of loans*

The liquidity of assignments and participations is limited so tranches of a loan could only be sold to a limited number of institutional investors. This will also make it more difficult to value the respective loan fund and calculate its net asset per share.

- *Risks in connection with credit risks of the respective borrower*

Loan participations typically represent participation in a loan to a corporate borrower. When purchasing loan participations from such a corporate borrower, the respective loan fund assumes certain risks associated with the corporate borrower (such as its financial conditions).

Risk factors relating to the OptiMix Portfolio Compartment

Timberland Investment invests the net issue proceeds of the OptiMix Portfolio Limited Recourse Bonds into a selection of different series of the Fund shares relating to [thirty-one (31)] Funds (as described in the section entitled "*Description of the Fund Shares*").

Please refer to the risks related to the Equity Portfolio Limited Recourse Bonds above which are equivalent to the risks related to the OptiMix Portfolio Limited Recourse Bonds.

Risk factors relating to the Precious Metals Portfolio Compartment

Timberland Investment invests the net issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds into Eligible Precious Metals (as described in the section entitled "*Description of the Precious Metals Limited Recourse Bonds*").

The following risks may apply to the Precious Metals Portfolio Compartment:

Market risks relating to precious metals

- *Volatility of prices of physical precious metals*

Prices of physical precious metals are generally highly volatile and may fluctuate considerably. They may be affected by numerous factors, including but not limited to and among others:

- global or regional political, economic or financial events and situations, particularly war, terrorism, expropriation and other activities which might lead to disruptions to supply from countries that are major producers of physical precious metals (for example South Africa and Russia, which are the two major suppliers of platinum and palladium);
- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations;
- global metal supply and demand and changes in the demand by industrial, government and consumer, both in individual consuming nations and internationally; the foregoing is also influenced by, and connected to, such factors as exploration success, mine production and net forward selling activities by metal producers, jewellery demand, investment demand and industrial demand, net of any recycling;
- precious metal leasing rates;
- financial activities including investment trading, hedging or other activities conducted by large trading houses, producers, users, hedge funds, commodities funds, governments or other speculators which could impact global supply or demand;
- financial market factors such as investors' expectations with respect to future rates of inflation, movements in world equity, financial and property markets, interest rates and

currency exchange rates, particularly the strength of and confidence in lead currencies (e.g. the U.S. dollar);

- currency exchange rates;
- level of economic growth and inflation; and
- the degree to which consumers, governments, corporate and financial institutions hold physical gold as a safe haven asset (hoarding) which may be caused by a banking crisis/recovery, a rapid change in the value of other assets (both financial and physical) or changes in the level of geopolitical tension.

- *Consequences of substantial sales of precious metals made by the official sector*

The official sector refers to national central banks, other governmental agencies and multi-lateral institutions that buy, sell and hold precious metals, particularly gold, as part of their reserve assets. Most of this metal is static, meaning that it is held in vaults and is not bought, sold, leased or swapped or otherwise mobilised in the open market. If future economic, political or social conditions or pressures were to require members of the official sector to liquidate their gold or other precious metal assets all at once or in an uncoordinated manner, the demand for gold or other precious metals might not be sufficient to accommodate the sudden increase in the supply to the market. Consequently, the price of precious metals could fall significantly.

- Shortage of physical precious metal(s)

Markets for physical precious metals have the potential to suffer from market disruption or volatility caused by shortages. Such events could result in a spike in prices of precious metals.

- *Concentration and non-diversification*

In the Precious Metals Portfolio Compartment, there may be a concentration of a particular Eligible Precious Metal, especially gold. Accordingly, the Precious Metals Portfolio may be adversely affected by the performance of industries, sectors, or by events that have an impact on the particular Eligible Precious Metal it holds and its production and sale. The Precious Metals Portfolio Compartment will be directly affected by fluctuations in the prices of its component Eligible Precious Metals. It may also be significantly affected by any single economic, market, political or regulatory occurrence. As a result, the value of the Precious Metals Portfolio Compartment may be more volatile than the value of other compartments of Timberland Investment which hold a greater range of assets.

- *Quality and required standards of precious metals*

Precious metals may not be of the required standard. The precious metals may be different from the reported fineness or weight required by the LBMA or LPPM's standards for the relevant precious metal delivered in settlement of a trade in gold, silver, platinum or palladium, or the Good Delivery standards. As a consequence, if the relevant custodian of precious metals does not replace any bar, plate or ingot that does not meet the Good Delivery specifications, Timberland Investment may suffer in such an unlikely event a loss.

- *Specific risks relating to gold*

The official sector, meaning national central banks, other governmental agencies and multi-lateral institutions, holds a significant amount of gold, most of which is static, meaning that it is held in vaults and is not bought, sold, leased or swapped or otherwise mobilised in the open market. If the official sector were to need to sell their gold all at once or in an

uncoordinated manner, the sudden increase in supply of gold to the market might outweigh demand.

- *Specific risks relating to silver, platinum and palladium*

- Volatility of silver

Over the last ten years, silver has tended to be a more volatile metal than gold, platinum or palladium. This is because gold is used by many of its investors as a safe haven or a hedge against inflation and foreign exchange risks, and platinum and palladium is often traded as an industrial metal. Silver, however, is seen as attractive by some investors for similar reasons to gold but a large proportion of demand for silver is also for industrial usage. Silver is therefore exposed to movements in both the investment markets and industrial markets and may consequently be regarded as the most volatile of the four metals.

- Volatility of palladium and market liquidity of palladium

Palladium demand and palladium offer change frequently. Therefore, the palladium price is highly volatile over the last hundred years. That is, it varies considerably, even within short periods of time. The palladium price is traded in U.S. dollars and the U.S. dollar price is inversely proportional. This means if the U.S. dollar decreases, usually the palladium price increases and vice versa.

A significant disadvantage of palladium (compared to the established precious metals like gold, silver or platinum) is the reduced market liquidity, as there is for bullion investment coins of palladium both less supply and less demand. Furthermore, the range of financial instruments on palladium is much lower than that for the more established precious metals. This also usually leads to higher margins on the commodity exchanges and coin dealers, which may represent a disadvantage for investors. Potential benefits for long-term investors are less influenced by the price traders and speculators.

Palladium is traded continuously in only a few exchanges. The palladium market is valued in U.S. dollars, and much smaller of volume than other precious metals markets. In case of a high volume of investment into such a small market or in case of a significant disinvestment, it quickly comes to high price jumps.

- Liquidity of physical platinum and palladium and emerging countries risk

Platinum and Palladium is produced by significantly fewer countries than gold and silver, with the main producer countries being South Africa and Russia. There is consequently a risk that a disruption in supply from one of these countries could affect liquidity in the underlying platinum and palladium market and therefore the spot price of physical platinum and palladium; for example global or regional political, economic or financial events and situations particularly war, terrorism, expropriation or other activities which might lead to disruption to supply from these emerging market countries that are major producer countries of platinum and palladium. A disruption in supply by one of the main supplier countries could therefore have an impact on the value of Precious Metals Portfolio Limited Recourse Bonds. Further, South Africa and Russia are emerging markets and therefore the risk of a disruption to production and supply of platinum and palladium may be greater for these countries than if they were established markets.

- Volatility caused by shortage of physical platinum or palladium

If there were to be a shortage of physical platinum or palladium in the underlying market, this could cause volatility in both the price of platinum and palladium and also in the value of Precious Metals Portfolio Limited Recourse Bonds.

- Industrial demand for platinum and palladium

Similar to silver, a higher proportion of overall demand for platinum and palladium than for gold is made up of industrial usages. This may cause its price to fluctuate differently to gold or other precious metals, for which a larger proportion of overall demand is for investment purposes.

- *Risks relating to the price of gold, silver, platinum and palladium determined via an auction process*

While the auction process used to establish the respective precious metals price is expected to be a transparent and auditable process in accordance with applicable benchmark regulations and is a fully established benchmark and are widely accepted as the basis for pricing spot transactions as well as for a variety of other transactions, there is no guarantee that the participants in the auction may not be biased or influenced for their own purposes when participating in the auction or that the auction may not be manipulated and therefore the price fixed may not reflect the fair value.

Risks relating to the appointed custodian of precious metals

- *Conduct of inspections and reviews*

Timberland Investment may have no right to visit the premises of any custodian of precious metals for the purposes of examining the precious metals or will be obligated to cooperate in any review with Timberland Investment and/or its auditors who may wish to conduct a review of the facilities, procedures, records or creditworthiness of such custodian (or any sub-custodian).

- *Allocation of precious metals to Timberland Investment*

Timberland Investment will rely upon the custodian (or the sub-custodian) of precious metals to properly allocate the precious metals to Timberland Investment. If such allocation had not been done or had been done incorrectly, Timberland Investment would rank as unsecured creditor in respect of such unallocated precious metals in the event of an insolvency of the relevant custodian.

- *Risks in connection with sub-custodians*

If any sub-custodian of precious metals does not exercise due care in the safekeeping of the precious metals, the ability of Timberland Investment and of the custodian itself to recover damages from such sub-custodian may be limited to only such recourse, if any, as may be available under applicable law of the jurisdiction where the sub-custodian is located. In addition, there is a risk that, while in custody of a sub-custodian, the precious metals could be lost, stolen or damaged and Timberland Investment may incur a loss in such events. In certain jurisdiction and according to applicable laws, Timberland Investment may not have a claim for a breach of contract against the relevant sub-custodian for losses relating to the safekeeping of precious metals. Although the relevant sub-custodian of precious metals will generally maintain insurance in relation to its business on such terms as it considers appropriate and typically regularly reviews its insurance coverage to ensure that it remains sufficient and appropriate for its business, the sub-custodian is under no obligation to take out specific insurance in respect of the precious metals held for Timberland Investment. Timberland Investment is not a beneficiary of any such general insurance and does not have the ability to dictate the existence, nature or amount of coverage. Therefore, Noteholders cannot be assured that the sub-custodian maintains adequate insurance or any insurance with respect to the precious metals stored on behalf of Timberland Investment.

- *Risks in connection with an insolvency of a custodian of precious metals*

In the case of the insolvency of a custodian (or a sub-custodian) of precious metals (allocated to Timberland Investment), the precious metals allocated to Timberland Investment are ring-fenced and belong to Timberland Investment. Accordingly, even if the assets of the custodian (or the assets from a sub-custodian) may not be adequate to satisfy the claims of its creditors, the assets allocated to Timberland Investment should be segregated and recoverable. Nevertheless, a liquidator may seek to freeze access to the precious metals held in all of the accounts held by the custodian or its sub-custodian. Although Timberland Investment would be able to claim ownership of properly allocated precious metals, Timberland Investment could incur expenses in connection with asserting such claims, and the assertion of such a claim by the liquidator could delay subscriptions for and redemptions of Precious Metals Portfolio Limited Recourse Bonds.

Risk factors relating to the Top-10 Portfolio Compartment

Timberland Investment invests the net issue proceeds of the Top-10 Portfolio Limited Recourse Bonds into a selection of different series of the Fund shares relating to [thirty-one (31)] Funds (as described in the section entitled "*Description of the Fund Shares*").

Please refer to the risks related to the Equity Portfolio Limited Recourse Bonds above which are equivalent to the risks related to the Top-10 Portfolio Limited Recourse Bonds.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been previously published and filed with the FMA, shall be incorporated by reference in, and form part of, this Base Prospectus:

- (a) the Company Articles as of 15 January 2015;
- (b) Timberland Securities SPC annual accounts for the financial period from 1 July 2016 to 30 June 2017 drawn up in the English language (the **2017 Timberland Securities Financial Statements**);
- (c) Timberland Securities SPC annual accounts for the financial period from 1 July 2015 (date of incorporation) to 30 June 2016 drawn up in the English language (the **2016 Timberland Securities Financial Statements**);
- (d) the independent auditor's report in respect of the 2017 Timberland Securities Financial Statements drawn up in the German language (the **2017 Timberland Securities Audit Report**);
- (e) the articles of association of Timberland Investment as of 18 July 2013 (the **Timberland Investment Articles**);
- (f) Timberland Investment's annual accounts for the financial period from 1 July 2016 (date of incorporation) to 30 June 2017 drawn up in the English language (the **2017 Timberland Investment Financial Statements**);
- (g) Timberland Investment's annual accounts for the financial period from 1 July 2015 (date of incorporation) to 30 June 2016 drawn up in the English language (the **2016 Timberland Investment Financial Statements**);
- (h) The independent auditor's report in respect of the 2017 Timberland Investment Financial Statements (the **2017 Timberland Investment Audit Report**); and
- (i) the independent auditor's report in respect of the 2016 Timberland Investment Financial Statements (the **2016 Timberland Investment Audit Report**).

The documents incorporated by reference, as well as this Base Prospectus, are available on the following website: www.timberlandsecurities.com or any successor or replacement address thereto.

The following information appears on the pages of the 2017 Timberland Securities Financial Statements as set out below:

Audit report	Please see 2017 Timberland Securities Audit Report
Balance sheet	Annex 1
Profit and loss accounts	Annex 2
Statement of Changes in Cash Flow	Annex 3
Statement of Changes in Equity	Annex 4
Notes	Annex 5

The following information appears on the pages of the 2017 Timberland Investment Financial Statements as set out below:

Audit report	Please see 2017 Timberland Investment Audit Report
Balance sheet	Page 3 to 7
Profit and loss accounts	Page 8 to 9
Notes to the accounts	Pages 10 to 14

The following information appears on the pages of the 2016 Timberland Investment Financial Statements as set out below:

Audit report	Please see 2016 Timberland Investment Audit Report
Balance sheet	Page 4 to 7
Profit and loss accounts	Page 8 to 9
Notes to the accounts	Pages 10 to 14

USE OF PROCEEDS

Unless otherwise specified in the applicable Final Terms, the Issuer may use parts of the respective net proceeds from the sale of the Bearer Notes and the Registered Notes (after certain applicable deductions like the commissions and expenses) during the Offer Period (as defined in the Final Terms) to invest in assets that are suitable to ensure full and punctual payments under the Notes. The Issuer may but shall not be obliged to directly, indirectly, or synthetically invest in the Underlying Securities issued by Timberland Investment.

All Notes issued by the Issuer and not subscribed for by investors on their respective issue dates will be subscribed for by the Issuer for no consideration and held by it for sale on the secondary market during the Offer Period. With regard to such Notes, no cash will be allocated to the relevant Segregated Portfolio until they are sold by the Issuer to investors during the Offer Period. All rights attached to the Notes held by the Issuer itself (such as, voting rights and financial rights) are suspended pursuant to Article 1300 of the Luxembourg civil code and all provisions in this Base Prospectus must be read accordingly.

Information on the calculation of the maximum net proceeds that the Issuer may obtain from the issue and sale of each series of Notes is set out in the section entitled "*Subscription for Notes*".

SUBSCRIPTION FOR NOTES

1. BEARER NOTES

Any terms and expressions not expressly defined in this section shall have the meaning given to such terms and expressions in the Bearer Notes Conditions or in the applicable Final Terms.

Any Bearer Note issued but not subscribed for by investors on the Issue Date will be subscribed for by the Issuer for no consideration and held by it for sale on the secondary market during the Offer Period. So long as any Bearer Notes are held by the Issuer, any rights attached to such Bearer Notes (such as financial rights and voting rights) will be suspended. All outstanding Bearer Notes still held by the Issuer after the expiry of the Offer Period will be cancelled forthwith.

Each investor in the Bearer Notes which pays the relevant Subscription Price (as defined in the Bearer Notes Conditions) in Euro will, when subscribing for the Bearer Notes offered by the Issuer, pay the amount to be invested in the Bearer Notes to an account held with Commerzbank AG or Marcard & Stein & Co AG (each a **Collecting Bank**) in the name and on behalf of the Issuer. Upon instruction of the Issuer, the Collecting Bank may transfer the subscription monies to an account of the Issuer (the **Issuer Account**) held with Société Générale Bank & Trust S.A., Citibank, N.A., London Branch, Marcard & Stein & Co AG, Commerzbank AG, Baader Bank Aktiengesellschaft or any other banking institution (each an **Issuer Account Bank**) (any amount credited to an Issuer Account being referred to hereafter as the **Issuer Account Credit Amount**). The amount of Bearer Notes to be allocated to each investor will be determined on the Subscription Date (as defined in the Bearer Notes Conditions) by dividing the Issuer Account Credit Amount by the relevant Subscription Price. Such amount will be rounded down to the nearest integral multiple of 1 (one) (this amount being referred to hereafter as the **Total Amount of Notes**). The Total Amount of Notes multiplied by the relevant Subscription Price will equal the aggregate Euro amount of Bearer Notes subscribed by the relevant investor (this amount being referred to hereafter as the **Total Subscription Amount**). The remainder between the Issuer Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

Each investor in the Bearer Notes which pays the relevant Subscription Price in a currency other than Euro (a **Foreign Currency**) will, when subscribing for the Bearer Notes offered by the Issuer, pay the amount to be invested in the Bearer Notes in such Foreign Currency to an account held with a local branch of a Collecting Bank or an affiliated subsidiary or correspondent bank of a Collecting Bank in the relevant jurisdiction (each being referred to hereafter as a **Branch**) in the name and on behalf of the Issuer. The relevant Branch will transfer the subscription monies to (or hold the subscription monies with) an account of the Issuer held with a Collecting Bank. Upon instruction of the Issuer, the respective Collecting Bank will convert the subscription monies into a Euro amount (the **Euro Amount**) taking into consideration the then applicable spot rate. Upon instruction of the Issuer, the Collecting Bank will transfer the Euro Amount to an Issuer Account held with an Issuer Account Bank. The amount of Bearer Notes to be allocated to each investor will be determined on the Subscription Date by dividing the Issuer Account Credit Amount by the relevant Subscription Price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes multiplied by the relevant Subscription Price will equal the aggregate Euro amount of Bearer Notes subscribed by the relevant investor. The remainder between the Issuer Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

The maximum net proceeds that the Issuer may obtain from the sale of each Bearer Note during the Offer Period will depend on the net asset value of the Segregated Portfolio as of the Subscription Date.

The Issuer will regularly inform the Noteholders about the number of Bearer Notes issued for no consideration or subscribed for by investors during the Offer Period by publishing the relevant information on its website (www.timberlandsecurities.com or any successor or replacement address thereto). Such information is available free of charge. The Issuer will notify the FMA of the result of the offering of Bearer Notes at the end of the Offer Period.

2. REGISTERED NOTES

Any terms and expressions not expressly defined in this section shall have the meaning given to such terms and expressions in the Registered Notes Conditions or in the applicable Final Terms.

Any Registered Note issued but not subscribed for by investors on the Issue Date will be subscribed for by the Issuer for no consideration and held by it for sale on the secondary market during the Offer Period. So long as any Registered Notes are held by the Issuer, any rights attached to such Registered Notes (such as financial rights and voting rights) will be suspended. All outstanding Registered Notes still held by the Issuer after the expiry of the Offer Period will be cancelled forthwith.

Each investor in the Registered Notes which pays the relevant Subscription Price (as defined in the Registered Notes Conditions) in Euro will, when subscribing for the Registered Notes offered by the Issuer, pay the amount to be invested in the Registered Notes to the Issuer Account held with an Issuer Account Bank. The amount number of Registered Notes to be allocated to each investor will be determined on the Subscription Date by dividing the Issuer Account Credit Amount by the relevant Subscription Price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes multiplied by the Subscription Price will equal the aggregate Euro amount number of Registered Notes subscribed by the relevant investor. The remainder between the Issuer Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

Each investor in the Registered Notes which pays the relevant Subscription Price in a Foreign Currency will, when subscribing for the Registered Notes offered by the Issuer, pay the amount to be invested in the Registered Notes in such Foreign Currency to an account held with a Branch in the name and on behalf of the Issuer. The relevant Branch will transfer the subscription monies to (or hold the subscription monies with) an account of the Issuer held with a Collecting Bank. Upon instruction of the Issuer, the respective Collecting Bank will convert the subscription monies into a Euro Amount taking into consideration the then applicable spot rate. Upon instruction of the Issuer, the Collecting Bank will transfer the Euro Amount to an Issuer Account held with an Issuer Account Bank. The amount of Registered Notes to be allocated to each investor will be determined on the Subscription Date by dividing the Issuer Account Credit Amount by the relevant Subscription Price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes multiplied by the relevant Subscription Price will equal the aggregate Euro amount of Registered Notes subscribed by the relevant investor. The remainder between the Issuer Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

The maximum net proceeds that the Issuer may obtain from the sale of each Registered Note during the Offer Period will depend on the net asset value of the Segregated Portfolio as of the Subscription Date.

The (Sub-) Arranger on behalf of the Issuer will regularly inform the Noteholders about the number of Registered Notes issued for no consideration or subscribed for by investors during the Offer Period by publishing the relevant information on its website (www.timberlandsecurities.com or any successor or replacement address thereto). Such information is available free of charge. The Issuer will notify the FMA of the result of the offering of Registered Notes at the end of the Offer Period.

DESCRIPTION OF THE NOTES

This section entitled "*Description of the Notes*" is an abstract description of the possible structures of instruments the Issuer may issue under this Base Prospectus. In accordance with this Base Prospectus and the applicable Bearer Notes Conditions or Registered Notes Conditions, respectively, the Issuer may issue either limited recourse index-linked bearer notes (the **Bearer Notes**) or limited recourse index-linked registered notes (the **Registered Notes**), in each case with or without periodic interest payments.

All capitalised terms in this section entitled "*Description of the Notes*" which are not otherwise defined herein have the same meaning as in the Bearer Notes Conditions or Registered Notes Conditions, respectively.

1. BEARER NOTES

The description of the Bearer Notes covers what follows:

General

The value of the Bearer Notes during their term depends mainly on the value of the relevant Index. In principle, the value of the Bearer Notes rises if the Index Level rises and, correspondingly, falls if the Index Level falls. Therefore, the amount to receive on the relevant date of redemption also depends on the performance on the Index.

Governing Law and Jurisdiction

The Luxembourg district courts are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bearer Notes and accordingly any legal action or proceedings arising out of or in connection with the Bearer Notes may be brought in such courts. For the avoidance of doubt and with respect to the qualified subordination clause (as set out in the Terms and Conditions) such qualified subordination clause shall be applied mutatis mutandis (in the meaning to the laws of Germany) by the courts having jurisdiction.

The Bearer Notes shall be governed by, and construed in accordance with, Luxembourg law, except for the clause relating to "Payments" (as set out in the terms and conditions) and the qualified subordination clause stipulated in the latter which shall be applying mutatis mutandis in the meaning to the laws of Germany.

Form and Status

The Bearer Notes are in bearer form and will be issued by the Issuer with a nominal value equal to the Nominal Amount. Upon issue, all the Bearer Notes will be represented by the Global Note (a global certificate in bearer form to be deposited with the Common Depositary on or about the applicable Issue Date). The Issuer may issue either Notes that are represented by a Permanent Global Note or, alternatively, issue Notes that are initially represented by a Temporary Global Note exchangeable for a Permanent Global Note. In any case, the Global Note will be exchangeable for definitive Bearer Notes only in limited circumstances.

The Bearer Notes constitute direct, unsecured and limited recourse obligations of the Issuer and rank pari passu and rateably, without any preference among themselves, with all other existing direct, unsecured, limited recourse indebtedness of the Issuer which has been or will be allocated to a Segregated Portfolio but claims under the Bearer Notes will rank after all other claims of any subordinated or unsubordinated creditor of the Issuer, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

Interest Payments

In case the Bearer Notes are interest bearing notes, a fixed interest rate shall apply. In addition, the Bearer Notes may either provide for one or more Interest Payment Date(s) for the relevant Interest Period. The respective Interest Payment Amount falls due for payment on the relevant Interest Payment Date.

Investment Period

Prior to the relevant Maturity Date of the Bearer Notes, Noteholders may request the early redemption of all or part of its outstanding Bearer Notes subject to the expiry of the Lock-Up Period.

Redemption and Early Redemption

The Bearer Notes may be redeemed at the Redemption Amount at their respective maturity or in certain circumstances, including an Event of Default, in each case as specified in the Bearer Notes Conditions and prior to maturity. Moreover, the Bearer Notes include a call option of the Issuer and a put option of the Noteholder. A call option gives the Issuer the right (but not the obligation) to redeem the Notes on specified call redemption date(s) at the Early Redemption Amount. A put option exercised by a Noteholder give the investor the right to require the Issuer to redeem its Bearer Notes on specified put redemption date(s) at the Optional Redemption Amount.

2. REGISTERED NOTES

The description of the Registered Notes covers what follows:

General

The value of the Registered Notes during their term depends mainly on the value of the relevant Index. In principle, the value of the Registered Notes rises if the Index Level rises and, correspondingly, falls if the Index Level falls. Therefore, the amount to receive on the relevant date of redemption also depends on the performance on the Index.

Governing Law and Jurisdiction

The Luxembourg district courts are to have jurisdiction to settle any disputes which may arise out of or in connection with the Registered Notes and accordingly any legal action or proceedings arising out of or in connection with the Registered Notes may be brought in such courts. For the avoidance of doubt and with respect to the qualified subordination clause (as set out in the Terms and Conditions) such qualified subordination clause shall be applied mutatis mutandis (in the meaning to the laws of Germany) by the courts having jurisdiction.

The Registered Notes shall be governed by, and construed in accordance with, Luxembourg law, except for the clause relating to "Payments" (as set out in the Terms and Conditions) and the qualified subordination clause stipulated in the latter which shall be applying mutatis mutandis in the meaning to the laws of Germany.

Form and Status

The Registered Notes are in registered form and will be issued by the Issuer with a nominal value equal to the Nominal Amount. Ownership in respect of the Registered Notes is established by the registration in the Issuer Register. Rights and title of the Noteholders (and its assignees in and to the Registered Notes) shall be transferable only upon notation of such transfer in the Register.

The Registered Notes constitute direct, unsecured and limited recourse obligations of the Issuer and rank pari passu and rateably, without any preference among themselves, with all other existing direct, unsecured, limited recourse indebtedness of the Issuer which has been or will be allocated to a Segregated Portfolio but claims under the Registered Notes will rank after all other claims of any

subordinated or unsubordinated creditor of the Issuer, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

Interest Payments

In case the Registered Notes are interest bearing notes, a fixed interest rate shall apply. In addition, the Registered Notes may either provide for one or more Interest Payment Date(s) for the relevant Interest Period. The respective Interest Payment Amount falls due for payment on the relevant Interest Payment Date.

Investment Period

Prior to the relevant Maturity Date of the Registered Notes, Noteholders may request the early redemption of all or part of its outstanding Registered Notes subject to the expiry of the Lock-Up Period.

Redemption and Early Redemption

The Registered Notes may be redeemed at the Redemption Amount at their respective maturity or in certain circumstances, including an Event of Default, in each case as specified in the Registered Notes Conditions and prior to maturity. Moreover, the Registered Notes include a call option of the Issuer and a put option of the Noteholder. A call option gives the Issuer the right (but not the obligation) to redeem the Notes on specified call redemption date(s) at the Early Redemption Amount. A put option exercised by a Noteholder give the investor the right to require the Issuer to redeem its Registered Notes on specified put redemption date(s) at the Optional Redemption Amount.

[In the case of Bearer Notes, insert:

OPTION I - CONDITIONS OF THE LIMITED RECOURSE INDEX-LINKED BEARER NOTES

The Series [B1][B2][B3][●] [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] Limited Recourse [in the case of interest bearing Securities, insert: Interest Bearing] Index-Linked Notes (a **Bearer Note** or, the **Bearer Notes**, which expression shall in these terms and conditions of the Bearer Notes (the **Conditions** and each a **Condition**), unless the context otherwise requires, include any further bearer notes issued pursuant to Condition 12 (*FURTHER ISSUES*)), having an aggregate nominal value not exceeding EUR [5,000,000,000][●], are issued by Timberland Securities SPC, an exempted limited liability company established under the laws of the Cayman Islands and registered as a segregated portfolio company, having its registered office at Queensgate House, P.O. Box 1093, Grand Cayman KY1-1102, Cayman Islands (the **Company**) and acting for the account of its [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] SP (the **Issuer**).

In these Conditions, references to the Issuer may, as the case may be, be references to the Company and vice versa.

1. DEFINITIONS

Bearer Noteholder means each person holding one or more Bearer Note(s).

Bearer Notes Paying Agent means [Société Générale Bank & Trust S.A.][Citibank N.V., Branch London][Baader Bank Aktiengesellschaft] [●].

[In the case of all Securities, where the Specified Currency is the Euro, insert:

Business Day means each day (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) are open for business [in the case of additional Business Day Financial Centres, insert: and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre].]

[In the case of all Securities, where the Specified Currency is not the Euro, insert:

Business Day means each day (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre.]

[In the case of additional Business Day Financial Centres, insert:

Business Day Financial Centre means [●].]

Calculation Agent means [Timberland Capital Management GmbH][Timberland Fund Management Ltd.][●].

Calculation Period means any period of timer in respect of the calculation of an amount of distributions on any Bearer Note.

Clearing System means Clearstream Banking and/or Euroclear [and/or [●]].

Clearstream means Clearstream Banking, *société anonyme*, Luxembourg and/or Clearstream Banking AG, Frankfurt.

Common Depository means a common depository for Euroclear and/or Clearstream [and/or [●]].

Companies Act 1915 means the Luxembourg act dated 10 August 1915 on commercial companies, as amended from time to time.

Companies Law means the Companies Law (2016 Revision) of the Cayman Islands, as amended.

[In the case of interest bearing Securities, insert:

Day Count Fraction means the actual number of days in the Calculation Period divided by 365 (or, if any calculation portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).]

[Deferred Selling Fee means [in case the Bearer Notes have been redeemed on or before [●],] a fee of

[[up to] [2][●] per cent. of the Redemption Amount[,]]

[[up to] [2][●] per cent. the Early Redemption Amount[,]]

[[up to] [2][●] per cent. the Optional Redemption Amount[,]]

[[up to] [2][●] per cent. the last Partial Redemption Amount[,]]

[in the case of interest bearing Securities, insert: and the Interest Payment Amount] (as applicable) per Bearer Note to be redeemed]. [In case the Bearer Notes have not been redeemed on or prior to [●], the Deferred Selling Fee shall be

[[up to] [2][●] per cent. of the Redemption Amount[,]]

[[up to] [2][●] per cent. the Early Redemption Amount[,]]

[[up to] [2][●] per cent. the Optional Redemption Amount[,]]

[[up to] [2][●] per cent. the last Partial Redemption Amount[,]]

[in the case of interest bearing Securities, insert: and the Interest Payment Amount] (as applicable) per Bearer Note to be redeemed].]

[●]

Distribution Agent(s) means [Timberland Invest Ltd.] [and] [Timberland Capital Management GmbH] [and] [●].

Early Redemption Amount has the meaning given to such term in Condition 4.3(b).

Early Redemption Date has the meaning given to such term in Condition 4.3(a).

Early Redemption Valuation Date means the [10th][●] Business Day prior to the Early Redemption Date.

Euroclear means Euroclear Bank S.A./N.V.

Final Valuation Date means [the [10th][●] Business Day prior to the Maturity Date][●].

Force Majeure Event means an event or circumstance which prevents or otherwise impedes the determinations or the performance of the duties of the Issuer and/or any agent appointed in relation to the Bearer Notes, as the case may be. These events and circumstances may include, without limitation, a system failure, fire, building evacuation, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption or any similar intervening circumstance.

[**Front-Up Commission I**] means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]

[**Front-Up Commission II**] means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]

Full Repayment means that the Issuer has paid in full to the Bearer Noteholders the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [or] the last Partial Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*] (as applicable) on each Bearer Note to be redeemed and, in the case of the last Partial Redemption Amount, no more amounts are expected to be paid by the Issuer in respect of the relevant Bearer Note.

Index means the [*in the case of Securities linked to the OptiMix A Index, insert: OptiMix A*] [*in the case of Securities linked to the OptiMix B Index, insert: OptiMix B*] [*in the case of Securities linked to the OptiMix C Index, insert: OptiMix C*] [*in the case of Securities linked to the Precious Metals Index, insert: Precious Metals*] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●]*] Index as described in the Index Description.

Index Description means the description of the [*in the case of Securities linked to the OptiMix A Index, insert: OptiMix A*] [*in the case of Securities linked to the OptiMix B Index, insert: OptiMix B*] [*in the case of Securities linked to the OptiMix C Index, insert: OptiMix C*] [*in the case of Securities linked to the Precious Metals Index, insert: Precious Metals*] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●]*] Index.

Index Calculation Agent has the meaning given to such term in Clause 1 of the Index Description.

Index Calculation Day has the meaning given to such term in Clause 3.2 of the Index Description.

Index Components has the meaning given to such term in Clause 2 of the Index Description.

Index Disruption Event means the failure of the Index Sponsor to publish the Index Level.

Index Level has the meaning given to such term in Clause 3.2 of the Index Description.

Index Sponsor has the meaning given to such term in Clause 1 of the Index Description.

[*In the case of interest bearing Securities insert:*

Interest Commencement Date means [●].

Interest Payment Date means [●] in each year, commencing on [●] and ending on the Maturity Date.

Interest Period means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date.

Interest Rate means [●] per cent. per annum.]

Issue Date means [●].

Issuer Account means the account of the Issuer held with [Société Générale Bank & Trust S.A.] [Citibank N.V., London Branch] [Marcard & Stein & Co AG] [Commerzbank AG] [Baader Bank Aktiengesellschaft] [●].

Lock-Up Period means the period starting on [●] and ending on, and including, [●].

Luxembourg means the Grand Duchy of Luxembourg.

Maturity Date means the earlier of (i) the next Business Day after the full redemption of all Underlying Securities or (ii) [●].

Nominal Amount means [EUR][GBP][CHF][USD][●] [1.00][●].

Optional Redemption Amount has the meaning given to such term in Condition 4.4(d).

Optional Redemption Date has the meaning given to such term in Condition 4.4(a).

Optional Redemption Valuation Date means the [10th][●] Business Day prior to the Optional Redemption Date.

Partial Redemption Amount means in relation to each Bearer Note an amount equal to the amount received by the Issuer in connection with realisation of the corresponding portion of the Segregated Portfolio Assets.

Participation Factor means [0.90][●].

Segregated Portfolio means the segregated portfolio called "[in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] SP" created by the Company in accordance with the terms of Section 216 of the Companies Law in connection with the Bearer Notes.

Portfolio Assets means the assets attributed to the Segregated Portfolio.

Redemption Amount has the meaning given to such term in Condition 4.2.

[**Redemption Fee I**] means [one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [**Redemption Fee II** means one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount]] [and] [Redemption Fee [●] means one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount]] per Bearer Note][●].]

[In the case of interest bearing Securities, insert:

Specified Currency means [Euro (EUR)][British Pound (GBP)][Swiss Franc (CHF)][US Dollar (USD)][●].]

Subscription Date means the later of (i) the Business Day on which the Issuer receives the completed Subscription Declaration and any documents necessary under applicable laws (if any) from the relevant investor and (ii) the Business Day on which the Issuer receives the Subscription Price (after conversion, if applicable) on the Issuer Account.

Subscription Declaration means the legal binding agreement between an investor and the Issuer that sets out the terms for subscribing for the Bearer Notes.

Subscription Period [I] means the period of time in which investors may subscribe for the Bearer Notes under the Subscription Declaration and that [begins][began] on [●] and will end on [●].

[**Subscription Period II** means the period of time in which investors may subscribe for the Bearer Notes under the Subscription Declaration and that begins on [●] and will end on [●].]

Subscription Price(s) means, in respect of each Bearer Note, the applicable subscription price[s] (the **Subscription Price[s]**) as determined as follows:

Subscription Price [I] means the price of a Bearer Note subscribed for during the Subscription Period [I]. The Subscription Price [I] corresponds to the Nominal Amount [plus the Front-Up Commission [I]] [plus][minus] [●].

[**Subscription Price II** means the price in respect of a Bearer Note subscribed for during the Subscription Period II. The Subscription Price II corresponds to the [(i)] product of (A) the Nominal Amount and (B) the Index Level on the relevant Subscription Date [and (ii) plus the Front-Up Commission [I]] [and Front-Up Commission II] [and (iii) [plus][minus] [●]].]

Substitute Issuer has the meaning given to such term in Condition 15 (*SUBSTITUTION OF THE ISSUER*).

TARGET2 Day means any day on which the TARGET2 System is open.

TARGET2 System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

Tax Event means any amendment to or change in the laws or regulations of Luxembourg or the Cayman Islands or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date pursuant to which the Issuer would be required to pay additional amounts.

The expressions "Calculation Agent" and "Bearer Notes Paying Agent" shall in each case include any successor calculation agent, or successor paying agent, respectively.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

- (a) Bearer Notes are in bearer form and will, in the case of definitive Bearer Notes, be serially numbered. Bearer Notes may not be exchanged for Bearer Notes in registered form.
- (b) Each Bearer Note is issued by the Issuer with a nominal value equal to the Nominal Amount.
- (c) The Issuer may issue Bearer Notes for no consideration to be held by the Issuer with a view to selling those Bearer Notes on the secondary market. All determinations made under these Conditions will reflect the fact that such Bearer Notes issued and directly held by the Issuer

have been issued for no consideration. So long as any Bearer Notes are held by the Issuer, any rights attached to such Bearer Notes (such as financial rights and voting rights) will be suspended.

- (d) Upon issue, all the Bearer Notes will be represented by a global certificate in bearer form (the **Global Note**), which will be deposited with the Common Depository on or about the Issue Date. The Global Note will be exchangeable for definitive Bearer Notes only in limited circumstances.

2.2 Transfer and Title

- (a) Definitive Notes

Subject as set out below, title to the Bearer Notes will pass by delivery. The Issuer and the Bearer Notes Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note as the absolute owner thereof (whether or not the Bearer Note is overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of the Bearer Notes represented by a Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

- (b) Global Notes

[For so long as the Bearer Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records (the **Records**) of Euroclear or of Clearstream as the holder of a particular nominal amount of such Bearer Notes (in which regard any certificate or other document issued by Euroclear or Clearstream as to the nominal amount of such Bearer Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Bearer Notes Paying Agent as the holder of such nominal amount of such Bearer Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Bearer Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer and any Bearer Notes Paying Agent as the holder of such nominal amount of such Bearer Notes in accordance with and subject to the terms of the relevant Global Note and the expressions Bearer Noteholder and holder of Bearer Notes and related expressions shall be construed accordingly.][●]

[In the Securities are initially represented by a Temporary Global Note, insert:

[The Bearer Notes are initially represented by a temporary global note (the **Temporary Global Note**) without coupons. The Temporary Global Note will be exchangeable for a permanent global note (the **Permanent Global Note** and together with the Temporary Global Note, and also the **Global Note**) without coupons. The Temporary Global Note and the Permanent Global Note shall bear the signatures of [one][two] authorised [signatory][signatories] of the Issuer. Definitive Notes and coupons will not be issued. The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the **Exchange Date**) not later than 180 calendar days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 calendar days after the date of issue of the Temporary Global Note. Such exchange shall only be made to the extent that certifications have been delivered to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this sub-paragraph (b) of Clause 2.2 (b). Any Notes delivered in exchange for the Temporary

Global Note shall be delivered only outside of the United States. For purposes of these Terms and Conditions, United States or U.S. means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).][●]

[In the Securities are represented by a Permanent Global Note, insert:

[The Bearer Notes are represented by a permanent Global Note (the **Permanent Global Note**, and also the **Global Note**) without coupons. The Permanent Global Note shall bear the signatures of [one][two] authorised [signatory][signatories] of the Issuer. Definitive Notes and interest coupons will not be issued.][●]

Bearer Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, as the case may be. References to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system that may be approved by the Issuer and the Bearer Notes Paying Agent.

2.3 Specific provisions in relation to Bearer Notes in definitive form

- (a) The Global Note will become exchangeable in whole, but not in part, for the Bearer Notes in definitive form when either Euroclear or Clearstream is closed for business for a continuous period of fourteen (14) days, other than public holidays, or permanently ceases business or announces an intention to do so.
- (b) Any definitive Bearer Notes issued in exchange for the Global Note will be issued in bearer form only. The relevant definitive Bearer Notes will be made available by the Issuer to the persons shown in the Records.
- (c) Definitive Bearer Notes will be signed (A) manually or in facsimile by any two members of the board of directors of the Company who are both in office at the time of the issue of such definitive Bearer Notes or (B) manually or in facsimile by one member of the board of directors of the Company who is in office at the time of the issue of such definitive Bearer Notes and manually by a person to whom the authority to sign has been delegated by the board of directors of the Company. Definitive Bearer Notes will be authenticated by the Bearer Notes Paying Agent.

3. STATUS OF THE BEARER NOTES [AND INTEREST]

The Bearer Notes constitute direct, unsecured and limited recourse obligations of the Issuer and rank pari passu and rateably, without any preference among themselves, with all other existing direct, unsecured, limited recourse indebtedness of the Issuer, which has been or will be allocated to the Segregated Portfolio but claims under the Bearer Notes will rank after all other claims of any subordinated or unsubordinated creditor of the Issuer in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

Pursuant to Section 220 of the Companies Law, the Portfolio Assets shall only be used to meet liabilities due to the creditors in respect of the Segregated Portfolio and are not available or to be used to meet the claims of creditors of the Company or creditors of another segregated portfolio of the Company.

[In the case of non-interest bearing Securities, insert:

No interest or coupon is payable in respect of the Bearer Notes.]

[In the case of interest bearing Securities, insert:

The Bearer Notes shall bear interest on their Nominal Amount at the Interest Rate from, and including, the Interest Commencement Date to, but excluding, the Maturity Date. Interest (the **Interest Payment Amount**) shall be payable [annually][semi-annually][quarterly][monthly] in arrear on the Interest Payment Dates in each year. Interest will accrue in respect of each Interest Period.

The amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such Interest Payment Date will amount to [●]. If Interest is required to be calculated for a period other than an Interest Period, the amount of interest payable on the Bearer Notes in respect of their Nominal Amount for such period shall be calculated by applying the Interest Rate and the Day Count Fraction to the outstanding Nominal Amount of the Bearer Notes and rounding the resultant figure to the nearest sub-unit of the Specified Currency, with 0.5 of a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.]

4. REDEMPTION

4.1 Final Redemption

- (a) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem each Bearer Note on the Maturity Date by paying the Redemption Amount [*in the case of interest bearing Securities, insert:* and the Interest Payment Amount] [after deduction of the Deferred Selling Fee] to the Bearer Noteholders. Once all the Bearer Notes have been so redeemed, the obligations of the Issuer under these Conditions shall be fully discharged and the Bearer Noteholders shall have no further claim or recourse against the Issuer.
- (b) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Bearer Notes after the Maturity Date, including by instalments in accordance with Condition 4.6 below. The relevant Bearer Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment.
- (c) The Bearer Noteholders will not be entitled to any interest or other payment for the delay in receiving the Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay in the payment of the Redemption Amount shall not constitute an Event of Default as provided in Condition 8 (*EVENTS OF DEFAULT*) below.

4.2 Redemption Amount

In respect of each Bearer Note, the Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 4.5 below, to the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Final Valuation Date, as determined by the Calculation Agent (the **Redemption Amount**).

4.3 Early Redemption at the option of the Issuer

- (a) In the event that:
 - the Issuer determines in good faith that the performance of its obligations under the Bearer Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof; and/or
 - a Force Majeure Event has occurred; and/or
 - a Tax Event has occurred; and/or

- the obligations of the Issuer arising under, or in connection with, the Bearer Notes become, in the opinion and at the discretion of the Issuer, unreasonably burdensome; and/or
- following a change in applicable law or regulation, the costs for the Issuer arising under, or in connection with, the Bearer Notes are higher than the costs that the Issuer reasonably expected to incur at the time of the issue of the Bearer Notes; and/or
- an Index Disruption Event has occurred,

the Issuer may, at its option, issue a notice to the Bearer Noteholders in accordance with Condition 13 (*NOTICES*) below by which it informs the Bearer Noteholders about the early redemption of the Bearer Notes (in whole but not in part) on a date which cannot be less than [ten (10)][●] Business Days after the issue of the notice (the **Early Redemption Date**). On the Early Redemption Date, the Issuer shall redeem each Bearer Note by paying the Early Redemption Amount [*in the case of interest bearing Securities, insert:* and the Interest Payment Amount] [after deduction of the Deferred Selling Fee] to the Bearer Noteholders. In such a case, the obligations of the Issuer under these Conditions shall be fully discharged and the Bearer Noteholders shall have no further claim or recourse against the Issuer.

- (b) The Early Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 4.5 below, to the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Early Redemption Valuation Date, as determined by the Calculation Agent (the **Early Redemption Amount**).
- (c) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Bearer Notes after the Early Redemption Date, including by instalments in accordance with Condition 4.6 below. The relevant Bearer Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment.
- (d) The Bearer Noteholders will not be entitled to any interest or other payment for the delay in receiving the Early Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay for the payment of the Early Redemption Amount shall not constitute an Event of Default as provided in Condition 8 (*EVENTS OF DEFAULT*) below.

4.4 Redemption at the option of the Bearer Noteholders

- (a) Without prejudice to their right of early redemption in connection with an Event of Default pursuant to Condition 8 (*EVENTS OF DEFAULT*), any Bearer Noteholder may, prior to the Maturity Date, request the early redemption of all or part of its outstanding Bearer Notes on [●] of each calendar year, starting on [●] falling after the expiry of the Lock-Up Period (each an **Optional Redemption Date**).
- (b) In order to exercise its right described in Condition 4.4 (a), a Bearer Noteholder shall give to the Issuer, in accordance with Condition 13 (*NOTICES*), not less than [thirty (30)][●] nor more than [sixty (60)][●] Business Days' notice expiring on the Optional Redemption Date and (in the case of the Bearer Notes in definitive form) indicating the serial numbers of the Bearer Notes to be redeemed. In the case of the Bearer Notes in definitive form, such notice must be accompanied by the Bearer Note or Bearer Notes to be redeemed.
- (c) Upon receipt of the notice and, if applicable, the definitive Bearer Notes pursuant to (b) and subject as provided below, the Issuer will redeem each of the relevant Bearer Notes on the Optional Redemption Date by paying the Optional Redemption Amount [*in the case of*

interest bearing Securities, insert: and the Interest Payment Amount] [after deduction of the Deferred Selling Fee].

- (d) The Optional Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 4.5 below, to [the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Optional Redemption Valuation Date, as determined by the Calculation Agent] [●] (the **Optional Redemption Amount**).
- (e) The notice given by a Bearer Noteholder in accordance with this Condition 4.4 shall be irrevocable except where, prior to the Optional Redemption Date, an Event of Default has occurred and is continuing, in which event such Bearer Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 4.4 and instead to declare the Bearer Notes forthwith due and payable pursuant to Condition 8.
- (f) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Bearer Notes after that date, including by instalments in accordance with Condition 4.6 below. The relevant Bearer Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio.
- (g) The Bearer Noteholders will not be entitled to any interest or other payment for the delay in receiving the Optional Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay in the payment of the Optional Redemption Amount shall not constitute an Event of Default under Condition 8 (*EVENTS OF DEFAULT*) below.

4.5 Replacement Specification

If the Index Level used to determine the Redemption Amount, the Early Redemption Amount, or the Optional Redemption Amount (as applicable) is subsequently corrected and the correction (the **Corrected Index Level**) is published by the Index Calculation Agent or the Index Sponsor after the original publication of the Index Level but prior to the Maturity Date, the Early Redemption Date or the Optional Redemption Date (as applicable), then the Calculation Agent will notify the Issuer of the Corrected Index Level without undue delay and shall specify the relevant Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount (as applicable) again using the Corrected Index Level (the **Replacement Specification**) and publish it to the Bearer Noteholders in accordance with Condition 13 (*NOTICES*) below. However, if the Calculation Agent is informed of the Corrected Index Level less than [five][●] Business Days prior to the date on which the Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount (as applicable) is to be paid, then the relevant Index Level will not be specified again.

4.6 Redemption by instalments

Should the Issuer not receive sufficient cash from the realisation of the Portfolio Assets to pay the full Redemption Amount, the Early Redemption Amount[,] [or] the Optional Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert:* the Interest Payment Amount] (as applicable) when due, the Issuer will (i) pay a Partial Redemption Amount on each Bearer Note to the relevant Bearer Noteholder on the relevant due date and (ii) pay any further Partial Redemption Amount from the amounts received from the realisation of the Portfolio Assets after the relevant due date as soon as possible after the realisation.

4.7 Purchase of Bearer Notes

The Issuer may at any time purchase Bearer Notes at any price. Such Bearer Notes must be cancelled forthwith. For the avoidance of doubt, this Condition 4.7 does not apply to the Bearer Notes held by the Issuer in accordance with Condition 2.1 (c).

4.8 Cancellation

All Bearer Notes redeemed by the Issuer upon a Full Repayment will be cancelled forthwith and may not be reissued or resold and the obligations of the Issuer in respect of any such Bearer Notes shall be discharged.

5. PAYMENTS

5.1 Limited recourse obligations

- (a) For the avoidance of doubt, the Issuer shall only be obliged to make any payments to the Bearer Noteholders in respect of the Bearer Notes if, and only to the extent that, the relevant amounts are held in the Segregated Portfolio.

The Issuer shall be discharged of its obligation to pay the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,][or] the Partial Redemption Amount [,][or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*] (as applicable) to the extent of the payments so made and no late interest will be due on any late payment in this respect.

For the avoidance of doubt, upon a Full Repayment, the relevant Bearer Notes are redeemed in full and all claims of the Bearer Noteholders shall be satisfied in respect of the Bearer Notes so redeemed. In such case, the Bearer Noteholders may not take any further steps against the Issuer to recover any further sums in respect of such Bearer Notes and their right to receive any such sums shall be extinguished.

- (b) Qualified subordination clause

- All claims under the Bearer Notes, including but not limited to the claims for payment of the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,][and] the Partial Redemption Amount[,][and] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*], applying mutatis mutandis in accordance with Section 19 (2) sentence 2 of the German Insolvency Code (*Insolvenzordnung*, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Bearer Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in Section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in Section 39 (2) InsO. A waiver with respect to the claims is not possible.
- Payments under the Bearer Notes may be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.
- The Bearer Noteholders may not demand satisfaction of their claims if this results, or threatens to result, in the Company becoming overindebted (*überschuldet*) or unable to pay its debts (*zahlungsunfähig*) within applying mutatis mutandis the meaning of German insolvency law.
- Paragraphs (i) to (iii) apply both before and after the opening of insolvency proceedings.
- In all other respects, the Bearer Noteholders are entitled without restriction to assert their rights under the Bearer Notes and to claim performance.
- For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Company as a whole (*Gläubigergesamtheit*) applying mutatis mutandis within the meaning of Section 328 (2) of the German Civil Code (*Bürgerliches Gesetzbuch*). Any cancellation of this subordination agreement

without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Company.

5.2 Payments in [Euro][British Pound][Swiss Franc][US Dollar][●]

Subject to as provided below, payments in respect of the Bearer Notes will be made by credit or transfer to a [Euro][British Pound][Swiss Franc][US Dollar][●] denominated account of the relevant Bearer Noteholder the details of which have been communicated by such Bearer Noteholder to the Issuer and/or the Bearer Notes Paying Agent.

5.3 Presentation of definitive Bearer Notes

Payments in respect of definitive Bearer Notes will be made (subject as provided below) in the manner provided in Condition 5.2 only against presentation and surrender (or, in the case of partly payment of any sum due, endorsement) of definitive Bearer Notes at the specified office of the Bearer Notes Paying Agent. A record of each payment made against presentation or surrender (as the case may be) of any definitive Bearer Note will be made on such definitive Bearer Note by the Bearer Notes Paying Agent to which it was presented or surrendered and such record shall be prima facie evidence that the payment in question has been made.

5.4 Payments in respect of the Global Note

Payments in respect of the Bearer Notes represented by a Global Note will be made (subject as provided below) in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender (as the case may be) of such Global Note at the specified office of the Bearer Notes Paying Agent. A record of each payment made against presentation or surrender (as the case may be) of any Global Note will be made on such Global Note by the Bearer Notes Paying Agent to which it was presented or surrendered and such record shall be prima facie evidence that the payment in question has been made.

The bearer of a Global Note shall be the only person entitled to receive payments in respect of the Bearer Notes represented by such Global Note and the Issuer's payment obligations in respect thereof will be discharged pro tanto by payment to, or to the order of, the bearer of such Global Note in respect of each amount so paid. Each of the persons shown in the Records as the beneficial holder of a particular nominal amount of the Bearer Notes represented by such Global Note must look solely to Euroclear or Clearstream as the case may be, for his share of each payment made by the Issuer to, or to the order of, the bearer of such Global Note. Such persons shall have no direct claim against the Issuer in respect of payments due on the Global Note.

5.5 General provisions applicable to payments

Every payment in respect of the Bearer Notes or to the account of the Bearer Notes Paying Agent in the manner provided in the agreement between the Issuer and the Bearer Notes Paying Agent shall operate in satisfaction pro tanto of the relative payment obligation of the Issuer in respect of such Bearer Notes.

5.6 Determinations

- (a) All calculations to be made under these Conditions (including the determinations of the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [or] the Partial Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*]) will be made by the Calculation Agent appointed by the Issuer.
- (b) In the absence of the Calculation Agent's wilful misconduct, bad faith or manifest error, the calculations of the Calculation Agent will be binding on the Bearer Noteholders.

5.7 Fractions

When making payments to the Bearer Noteholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

5.8 Payments subject to fiscal laws

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment. A payment made in accordance with the provisions of this Condition 5 (*PAYMENTS*) above shall be a good discharge for the Issuer.

5.9 Delay in payment or partial payments

A Bearer Noteholder will not be entitled to any interest or any other payment for any delay after the due date in receiving the amount due as a result of the due date not being a Business Day or (if applicable) if the Bearer Noteholder is late in presenting or surrendering the relevant definitive Bearer Note.

If any amount due on the Bearer Notes is not paid in full, the Bearer Notes Paying Agent, or in case of a Global Note, the Common Depositary, will annotate the relevant Bearer Notes and cause the Register to be annotated with a record of the amount in fact paid.

5.10 Business Days

If a payment date referred to in these Conditions falls on a day which is not a Business Day, such payment date shall be postponed to the next following day which is a Business Day, provided that the Bearer Noteholders shall not be entitled to any interest or other sum in respect of such postponed payment.

5.11 Payment of tax refunds

Tax refunds received by the Issuer in respect of the Portfolio Assets will be allocated to the Segregated Portfolio and re-invested.

6. MISCELLANEOUS

6.1 Companies Law (2016 Revision)

By subscribing to the Bearer Notes, or otherwise acquiring the Bearer Notes, each Bearer Noteholder expressly acknowledges and accepts, and will be deemed to have accepted and acknowledged, that the Company (i) is subject to the Companies Law and (ii) has created the Segregated Portfolio in respect of the Bearer Notes to which all assets, rights, claims and agreements relating to the Bearer Notes will be allocated. Furthermore, each Bearer Noteholder acknowledges and accepts that it has only recourse to the Portfolio Assets and not to the assets allocated to any other segregated portfolios created by the Company or the general assets of the Company. Each Bearer Noteholder expressly acknowledges and accepts that once all the assets allocated to the Segregated Portfolio have been realised, it is not entitled to take any further steps against the Issuer or the Company to recover any further sums due and the right to receive any such sum shall be extinguished. Each Bearer Noteholder accepts not to attach or otherwise seize the assets of the Issuer allocated to the Segregated Portfolio or to other segregated portfolios of the Company or the general assets of the Company. In particular, none of the Bearer Noteholders shall be entitled to (i) institute against the Company or any segregated portfolio of the Company, including the Segregated Portfolio, or join or assist any other person in instituting against the Company or any segregated portfolio of the Company, including the Segregated Portfolio, any winding-up, liquidation, bankruptcy, arrangement or insolvency proceedings under any Cayman Islands law, Luxembourg law or similar law of any jurisdiction, or (ii) apply for a receivership order under Section 224 of the Companies Law in respect of the Segregated Portfolio or any other segregated portfolio of the Company. In the case of a conflict

between the provisions of this Condition 6.1 and the other Conditions, the provisions of this Condition 6.1 shall prevail.

By subscribing for the Bearer Notes, or otherwise acquiring the Bearer Notes, each Bearer Noteholder expressly acknowledges and accepts that it has no direct right in respect of the Portfolio Assets.

6.2 Exclusion of application for winding-up

For the avoidance of doubt, no Bearer Noteholder may initiate proceedings against the Issuer or the Company based on Section 94 of the Companies Law.

6.3 Collateral

The Issuer endeavours to hold at any time assets that are, in its reasonable discretion, suitable to ensure full and punctual payment of the Redemption Amount, the Early Redemption Amount[,] [or] the Optional Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*], respectively. The Issuer shall not be obliged to directly, indirectly, or synthetically invest in the Index Components.

7. TAXATION

All payments by or on behalf of the Issuer in respect of the Bearer Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

8. EVENTS OF DEFAULT

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (a) if the Issuer fails to perform or observe any of its material obligations under the Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of thirty (30) days next following the service by a Bearer Noteholder on the Issuer of notice requiring the same to be remedied; or
- (b) a court order is made or an effective resolution is passed or a notice is issued convening a meeting for the purpose of passing any resolution or any other step is taken for the winding-up, insolvency, bankruptcy, administration, reorganisation or reconstruction of the Company or for the appointment of a liquidator, administrator, administrative receiver, receiver, trustee or similar officer of the Company or the Segregated Portfolio or similar Cayman Islands or foreign laws proceedings affecting the rights of creditors generally are opened against the Company and remain unstayed in effect for a period of thirty (30) consecutive days; or
- (c) if the Company stops or threatens to stop payment of, or is unable, or admits inability, to pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law and has lost its creditworthiness,

then the Issuer shall promptly notify the Bearer Noteholders of the occurrence of the relevant Event of Default and any Bearer Noteholder may, by written notice (the **Event of Default Notice**) to the Issuer, effective upon the date of receipt thereof by the Issuer, declare all (but not part only) of the Bearer Notes held by it to be forthwith due and payable within the next [thirty (30)][●] days whereupon each of the same shall become so payable at the Optional Redemption Amount without presentment, demand, protest or other notice of any kind.

If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Bearer Notes after that date, including by instalments in accordance with Condition 4.6. The relevant Bearer Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment. The Bearer Noteholders will not be entitled to any interest or other payment for the delay suffered in receiving the Optional Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer.

9. PRESCRIPTION

[In the case of non-interest bearing Securities, insert: Claims against the Issuer for payment in respect of the Bearer Notes shall be prescribed and become void unless made within ten years from the date on which the relevant payment first becomes due.]

[In the case of interest bearing Securities, insert: Claims against the Issuer for payment in respect of the Bearer Notes shall be prescribed and become void unless made within ten years (in the case of the Redemption Amount, the Early Redemption Amount, and the Optional Redemption Amount) and five years (in the case of the Interest Payment Amount) from the date on which the relevant payment first becomes due.]

10. MEETING OF NOTEHOLDERS

10.1 Articles 470-3 to 472-19 of the Companies Act 1915 are not applicable to the Bearer Notes, according to article 470-20 of the Companies Act 1915.

10.2 The Base Prospectus in respect of the Bearer Notes contains detailed provisions (as set out in the section entitled "*Noteholder Meeting Provisions*") for convening (i) meetings of the Bearer Noteholders, (ii) joint meeting of holders of more than one series of notes in registered form issued by the Company under one or more of its segregated portfolios (including, where applicable, the Bearer Notes), (iii) joint meetings of holders of more than one series of the Bearer Notes and (iv) joint meetings of holders of more than one series of outstanding notes (including notes in both registered form and bearer form) issued by the Company under more than one of its segregated portfolios.

10.3 At meetings of the Bearer Noteholders, the Bearer Noteholders will deliberate and resolve on matters that relate specifically and exclusively to the Bearer Notes. A meeting of the Bearer Noteholders shall have powers:

- (a) to sanction the release of the Issuer from the payment of all or any part of the monies payable pursuant to these Conditions in respect of the Bearer Notes;
- (b) (subject to Condition 11 below) to sanction any modification of the Conditions specifically affecting the rights of the Bearer Noteholders; and
- (c) to vote on any resolutions tabled by the board of directors of the Company and specifically affecting the Bearer Notes.

10.4 For the avoidance of doubt, a resolution which affects Bearer Noteholders of more than one series of notes issued by the Issuer or the Company (as applicable) may be passed at a single meeting of Bearer Noteholders only if it does not give rise to a conflict of interest between such Bearer Noteholders.

10.5 Subject to Condition 10.4:

- (a) at joint meeting of holders of more than one series of notes in registered form issued by the Company under one or more of its segregated portfolios (including, where applicable, the Bearer Notes), the relevant Bearer Noteholders will deliberate and resolve on matters that relate to such notes;

- (b) at joint meetings of holders of more than one series of the Notes, the relevant Bearer Noteholders will deliberate and resolve on matters that relate to such Bearer Notes and the Segregated Portfolio in general; and
- (c) at joint meetings of holders of more than one series of outstanding notes issued by the Company under any and all of its segregated portfolios, the relevant holders (including, where applicable, the Bearer Noteholders) will deliberate and resolve on matters that relate to such notes or the Company in general.

11. MODIFICATION

The Issuer may make, without the consent of the Bearer Noteholders, any modification to the Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Company is incorporated or to reflect any change of law which has an impact on the Issuer's obligations under the Bearer Notes.

Any such modification shall be binding on the Bearer Noteholders and any such modification shall be notified to the Bearer Noteholders by way of a notice in accordance with Condition 13 (*NOTICES*).

No modifications to the Conditions may be made by the Bearer Noteholders without the Issuer's written consent.

12. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Bearer Noteholders, create and issue under the Segregated Portfolio further notes (i) having the same Conditions in all respects as the outstanding Bearer Notes except for the Issue Date, so that such further issue shall be consolidated and form a single series with the outstanding Bearer Notes, and references in these Conditions to the Bearer Notes shall be construed accordingly or (ii) upon such terms and conditions as the Issuer may determine at the time of their issue. In addition, the Company may, without the consent of the Bearer Noteholders, issue all types of securities under other segregated portfolios set up by it. The Issuer will inform the existing Bearer Noteholders of any issuance of further Notes under the Segregated Portfolio pursuant to (ii) via a notice in accordance with Condition 13.

13. NOTICES

13.1 Form of notice

A notice:

must be in the English language; and

may be given by the addressor itself or on behalf of the addressor by a solicitor, director or company secretary of the addressor.

13.2 Notices to the Bearer Noteholders

- (a) So long as the Bearer Notes are represented by the Global Note, all notices (including notices convening a meeting of the Bearer Noteholders) will be deemed to be validly given if delivered to Euroclear and/or Clearstream for communication by them to the Bearer Noteholders. Any such notice shall be deemed to have been given to the Bearer Noteholders on the next day after the delivery of the said notice to Euroclear and/or Clearstream.
- (b) Following the exchange of the Global Note for the Bearer Notes in definitive form, all notices to the Bearer Noteholders (including notices convening a meeting of Bearer Noteholders) will be deemed to be validly given if published on the website of the Issuer

([www.timberlandsecurities.com][●] or any successor or replacement address thereto) or in a newspaper with a general circulation in the jurisdiction[s] where the Bearer Notes have been or will be offered to the public (the **Public Offer Jurisdiction[s]**). Any such notice will be deemed to have been given on the date of the first publication. A detailed up-to-date list of the relevant newspapers in [the][each] Public Offer Jurisdiction is published on the Issuer's website ([www.timberlandsecurities.com][●] or any successor or replacement address thereto).

13.3 Notices to the Issuer

All notices to the Issuer will be deemed to be validly given if sent by registered mail to the Bearer Notes Paying Agent at its specified office or the Issuer at its registered office as published in the files of the Registrar of Companies in the Cayman Islands and will be deemed to have been given on the [fifth (5th)] [●] Business Day after mailing with a copy emailed to [●]. While the Bearer Notes are represented by the Global Note, such notice may also be given by the Bearer Noteholders to the Bearer Notes Paying Agent through Euroclear and/or Clearstream, as the case may be, in such manner as the Bearer Notes Paying Agent, Euroclear and/or Clearstream, as the case may be, may approve for this purpose.

14. BEARER NOTES PAYING AGENT

The Bearer Notes Paying Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Bearer Noteholders. The Issuer reserves the right at any time, without the prior approval of the Bearer Noteholders, to vary or terminate the appointment of the Bearer Notes Paying Agent, provided that the Issuer will at all times maintain a Bearer Notes Paying Agent having a specified office in the European Union. Notice of any such change will promptly be given to the Bearer Noteholders in accordance with Condition 13 (*NOTICES*).

The Bearer Notes Paying Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

15. SUBSTITUTION OF THE ISSUER

The Issuer shall be entitled at any time, without the consent of the Bearer Noteholders, if no payment of principal of any of the Bearer Notes is in default, to substitute for the Issuer another person (the **Substitute Issuer**) as principle debtor under all Bearer Notes in respect of any and all obligations arising from and in connection with the Bearer Notes, provided that:

- (a) the Substitute Issuer is solvent and can perform all obligations under and in connection with the Bearer Notes;
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;
- (c) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of a prospectus for the public offering of the Bearer Notes) from the authorities of the country in which it has its registered office;
- (d) the Issuer has transferred the Portfolio Assets to the Substitute Issuer; and
- (e) the substitution of the Substitute Issuer for the Issuer does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Bearer Noteholders.

Notice of any such substitution shall be given to the Bearer Noteholders in accordance with Condition 13.

The Issuer will not guarantee the obligations of the Substitute Issuer under the Bearer Notes after the substitution. The Bearer Noteholders, by subscribing for, or otherwise acquiring, the Bearer Notes, are deemed to have (i) consented to any substitution of the Issuer effected in accordance with this Condition 15 and to the release of the Issuer from any and all obligations in respect of the relevant Bearer Notes and these presents; and (ii) accepted such substitution and the consequences thereof.

After the substitution of the Issuer by a Substitute Issuer this Condition 15 shall apply again. In the event of such a substitution, every reference in these Conditions to the Issuer shall be deemed to refer to the Substitute Issuer.

16. GOVERNING LAW AND JURISDICTION

16.1 Governing Law

The Bearer Notes are governed by, and shall be construed in accordance with, Luxembourg law.

16.2 Jurisdiction

The Luxembourg district courts are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bearer Notes and accordingly any legal action or proceedings arising out of or in connection with the Bearer Notes (**Proceedings**) may be brought in such courts. Each of the Issuer and the Bearer Noteholders irrevocably submit to the jurisdiction of the Luxembourg district courts and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

[In the case of Registered Notes, insert:

OPTION II - CONDITIONS OF THE LIMITED RECOURSE INDEX-LINKED REGISTERED NOTES

The Series [R1][R2][R3][R4][●] [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] Limited Recourse [in the case of interest bearing Securities, insert: Interest Bearing] Index-Linked Notes (a **Registered Note** or, the **Registered Notes**, which expression shall in these terms and conditions of the Registered Notes (the **Conditions** and each a **Condition**), unless the context otherwise requires, include any further registered notes issued pursuant to Condition 13 (*FURTHER ISSUES*)), having an aggregate nominal value not exceeding [EUR 500,000,000] [●], are issued by Timberland Securities SPC, an exempted limited liability company established under the laws of the Cayman Islands and registered as a segregated portfolio company, having its registered office at Queensgate House, P.O. Box 1093, Grand Cayman KY1-1102, Cayman Islands (the **Company**) and acting for the account of its [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] SP (the **Issuer**).

In these Conditions, references to the Issuer may, as the case may be, be references to the Company and vice versa.

1. DEFINITIONS

[In the case of all Securities, where the Specified Currency is the Euro, insert:

Business Day means each day (other than a Saturday or Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross settlement Express Transfer-System (TARGET2) are open for business [in the case of additional Business Day Financial Centres, insert: and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre].]

[In the case of all Securities, where the Specified Currency is not the Euro, insert:

Business Day means each day (other than a Saturday or Sunday) on which the Clearing System is open for business and commercial banks and foreign exchange markets settle payments in the Business Day Financial Centre.]

[In the case of additional Business Day Financial Centres, insert:

Business Day Financial Centre means [●].]

Calculation Agent means [Timberland Capital Management GmbH][Timberland Fund Management Ltd.][●].

Calculation Period means any period of timer in respect of the calculation of an amount of distributions on any Registered Note.

Clearing System means Clearstream and/or Euroclear [and/or [●]].

Clearstream means Clearstream Banking, *société anonyme*, Luxembourg and/or Clearstream Banking AG, Frankfurt.

Companies Act 1915 means the Luxembourg act dated 10 August 1915 on commercial companies, as amended from time to time.

Companies Law means the Companies Law (2016 Revision) of the Cayman Islands, as amended.

[In the case of interest bearing Securities, insert:

Day Count Fraction means the actual number of days in the Calculation Period divided by 365 (or, if any calculation portion of that Calculation Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).]

[Deferred Selling Fee means [in case the Registered Notes have been redeemed on or before [●],] a fee of

[[up to] [2][●] per cent. of the Redemption Amount[,]]

[[up to] [2][●] per cent. the Early Redemption Amount[,]]

[[up to] [2][●] per cent. the Optional Redemption Amount[,]]

[[up to] [2][●] per cent. the last Partial Redemption Amount[,]]

[in the case of interest bearing Securities, insert: and the Interest Payment Amount] (as applicable) per Registered Note to be redeemed]. [In case the Registered Notes have not been redeemed on or prior to [●], the Deferred Selling Fee shall be

[[up to] [2][●] per cent. of the Redemption Amount[,]]

[[up to] [2][●] per cent. the Early Redemption Amount[,]]

[[up to] [2][●] per cent. the Optional Redemption Amount[,]]

[[up to] [2][●] per cent. the last Partial Redemption Amount[,]]

[in the case of interest bearing Securities, insert: and the Interest Payment Amount] (as applicable) per Registered Note to be redeemed].]

[●]

Distribution Agent(s) means [Timberland Invest Ltd.] [and] [Timberland Capital Management GmbH][●].

Early Redemption Amount has the meaning given to such term in Condition 5.3 (b).

Early Redemption Date has the meaning given to such term in Condition 5.3 (a).

Early Redemption Valuation Date means the [10th][●] Business Day prior to the Early Redemption Date.

Euro or **EUR** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Euroclear means Euroclear Bank S.A./N.V.

Final Valuation Date means [the [10th][●] Business Day prior to the Maturity Date][●].

Force Majeure Event means an event or circumstance which prevents or otherwise impedes the determinations or the performance of the duties of the Issuer and/or any agent appointed in relation to the Registered Notes, as the case may be. These events and circumstances may include, without limitation, a system failure, fire, building evacuation, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption or any similar intervening circumstance.

[**Front-Up Commission I**] means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]

[**Front-Up Commission II**] means a commission of up to [5][●]% of [the Nominal Amount][●] per Note.]

Full Repayment means that the Issuer has paid in full to the Registered Noteholders the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [or] the last Partial Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*] (as applicable) on each Registered Note to be redeemed and, in the case of the last Partial Redemption Amount, no more amounts are expected to be paid by the Issuer in respect of the relevant Registered Note.

Index means the [*in the case of Securities linked to the OptiMix A Index, insert: OptiMix A*] [*in the case of Securities linked to the OptiMix B Index, insert: OptiMix B*] [*in the case of Securities linked to the OptiMix C Index, insert: OptiMix C*] [*in the case of Securities linked to the Precious Metals Index, insert: Precious Metals*] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●]*] Index as described in the Index Description.

Index Description means the description of the [*in the case of Securities linked to the OptiMix A Index, insert: OptiMix A*] [*in the case of Securities linked to the OptiMix B Index, insert: OptiMix B*] [*in the case of Securities linked to the OptiMix C Index, insert: OptiMix C*] [*in the case of Securities linked to the Precious Metals Index, insert: Precious Metals*] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●]*] Index.

Index Calculation Agent has the meaning given to such term in Clause 1 of the Index Description.

Index Calculation Day has the meaning given to such term in Clause 3.2 of the Index Description.

Index Components has the meaning given to such term in Clause 2 of the Index Description.

Index Disruption Event means the failure of the Index Sponsor to publish the Index Level.

Index Level has the meaning given to such term in Clause 3.2 of the Index Description.

Index Sponsor has the meaning given to such term in Clause 1 of the Index Description.

[*In the case of interest bearing Securities, insert:*

Interest Commencement Date means [●].

Interest Payment Date means [●] in each year, commencing on [●] and ending on the Maturity Date.

Interest Period means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date.

Interest Rate means [●] per cent. per annum.]

Issue Date means [●].

Issuer Account means the account of the Issuer held with [Société Générale Bank & Trust S.A.][Citibank N.V., London Branch][Marcard & Stein & Co AG][Commerzbank AG][Baader Bank Aktiengesellschaft][●].

Issuer Register has the meaning given to such term in Condition 2.1 (e).

Lock-Up Period means the period starting on [●] and ending on, and including, [●].

Luxembourg means the Grand Duchy of Luxembourg.

Maturity Date means the earlier of (i) the next Business Day after the full redemption of all Underlying Securities or (ii) [●].

[**Net Subscription Price** means, in respect of each Registered Note, the Nominal Amount as of the day prior to the Subscription Date (such day not being earlier than the Issue Date).]

Nominal Amount means [EUR][GBP][CHF][USD][●] [1.00][●].

Optional Redemption Amount has the meaning given to such term in Condition 5.4 (d).

Optional Redemption Date has the meaning given to such term in Condition 5.4 (a).

Optional Redemption Valuation Date means the [10th][●] Business Day prior to the Optional Redemption Date.

Partial Redemption Amount means in relation to each Registered Note an amount equal to the amount received by the Issuer in connection with realisation of the corresponding portion of the Portfolio Assets.

Participation Factor means [0.90][●].

Portfolio Assets means the assets attributed to the Segregated Portfolio.

Redemption Amount has the meaning given to such term in Condition 5.2.

[**Redemption Fee I**] means [one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [**Redemption Fee II**] means one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount]] [and] [**Redemption Fee [●]**] means one or more one-off redemption fee(s) of each up to [5][●] per cent. of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount]] per Registered Note][●].]

Register has the meaning given to such term in Condition 2.1 (d).

Registered Noteholder means each person in whose name a Registered Note is registered in the Issuer Register.

Registrar and Transfer Agent means [Timberland Securities SPC][Alter Domus Fund Services (Malta) Limited][●].

[In the case of interest bearing Securities, insert:

Segregated Portfolio means the segregated portfolio called "[in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] SP" created by the Company in accordance with the terms of Section 216 of the Companies Law in connection with the Registered Notes.

Specified Currency means [Euro (EUR)][British Pound (GBP)][Swiss Franc (CHF)][US Dollar (USD)][●].]

Subscription Agreement means the legal binding agreement between an investor and the Issuer that sets out the terms for subscribing for the Registered Notes.

Subscription Date means the later of (i) the Business Day on which the Issuer receives the completed Subscription Agreement and any documents necessary under applicable laws (if any) from the relevant investor and (ii) the Business Day on which the Issuer receives the Subscription Price (after conversion, if applicable) on the Issuer Account.

Subscription Period I] means the period of time in which investors may subscribe for the Registered Notes under the Subscription Agreement and that [begins][began] on [●] and will end on [●].

[**Subscription Period II** means the period of time in which investors may subscribe for the Registered Notes under the Subscription Agreement and that begins on [●] and will end on [●].]

Subscription Price(s) means, in respect of each Registered Note, the applicable subscription price[s] (the **Subscription Price[s]**) as determined as follows:

Subscription Price I] means the price of a Registered Note subscribed for during the Subscription Period I]. The Subscription Price I] corresponds to the Nominal Amount [plus the Front-Up Commission I]] [plus][minus] [●].

[**Subscription Price II** means the price in respect of a Registered Note subscribed for during the Subscription Period II. The Subscription Price II corresponds to the [(i)] product of (A) the Nominal Amount and (B) the Index Level on the relevant Subscription Date [and (ii) plus the Front-Up Commission I]] [and Front-Up Commission II] [and (iii) [plus][minus] [●]].]

Substitute Issuer has the meaning given to such term in Condition 16 (*SUBSTITUTION OF THE ISSUER*).

TARGET2 Day means any day on which the TARGET2 System is open.

TARGET2 System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

Tax Event means any amendment to or change in the laws or regulations of Luxembourg or the Cayman Islands or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date pursuant to which the Issuer would be required to pay additional amounts.

[**Total Target Amount** means in case of [R1][R2][R3][R4][●] [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in

the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●] Limited Recourse*] [*in the case of interest bearing Securities, insert: Interest Bearing*] Index-Linked Notes the total amount of the obligation of an investor to subscribe Registered Notes as agreed upon in the Subscription Agreement between the Issuer and the Investor [which includes the [Front-Up Fee [I]] [and] [the Front-Up Fee II] [and] [the Front-Up [●]] [and] [the Redemption Fee I] [and] [the Redemption Fee II] [and] [the Redemption Fee [●]].]

Total Net Target Amount means in case of [R1][R2][R3][R4][●] [*in the case of Securities linked to the OptiMix A Index, insert: OptiMix A*] [*in the case of Securities linked to the OptiMix B Index, insert: OptiMix B*] [*in the case of Securities linked to the OptiMix C Index, insert: OptiMix C*] [*in the case of Securities linked to the Precious Metals Index, insert: Precious Metals*] [*in the case of Securities linked to the OptiMix World Index, insert: OptiMix World*] [*in the case of Securities linked to the Top-10 Index, insert: Top-10*] [*in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio*] [*in the case of Securities linked to the [●] Index, insert: [●] Limited Recourse*] [*in the case of interest bearing Securities, insert: Interest Bearing*] Index-Linked Notes the total amount of the obligation of an investor to subscribe Registered Notes as agreed upon in the Subscription Agreement between the Issuer and the Investor which does not include the Upfront Fee and is calculated by Total Target Amount minus ([Front-Up Fee [I]] [and] [Front-Up Fee II] [and] [Front-Up Fee [●]] [and] [Redemption Fee I] [and] [Redemption Fee II] [and] [Redemption Fee [●]]).

The expressions "Calculation Agent" and "Registrar and Transfer Agent" shall in each case include any successor calculation agent, successor registrar and transfer agent, respectively.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

- (a) On a Subscription Date, each Registered Note is issued for the Subscription Price in registered form only and may under no circumstances be converted into a note in bearer form. Each Registered Note has a nominal value equal to the Nominal Amount.
- (b) The Issuer may issue Registered Notes for no consideration to be held by the Issuer with a view to selling those Registered Notes on the secondary market. All determinations made under these Conditions will reflect the fact that such Registered Notes issued and directly held by the Issuer have been issued for no consideration (the Subscription Price for those Registered Notes will be deemed to be 0). So long as any Registered Notes are held by the Issuer, any rights attached to such Registered Notes (such as financial rights and voting rights) will be suspended.
- (c) The Registered Notes[, at the time of the Subscription Date,] are [not] clearable through [a][any] clearing system [but may][and cannot (and will not)] be admitted to trading and/or listed on any stock exchange, regulated or unregulated market or on any organised trading facility (OTF) (within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
- (d) The Issuer will cause to be kept at the specified office of the Registrar and Transfer Agent a register of holders of Registered Notes (the **Register**). The Registrar and Transfer Agent will immediately inform the Issuer of any changes made to the Register.
- (e) The Issuer undertakes to keep an up-to-date copy of the Register at its registered office at all times (the **Issuer Register**).

- (f) A Registered Noteholder may request from the Registrar and Transfer Agent an extract of the Register showing the entry relevant to its holding of the Registered Notes.

2.2 Title

- (a) Title to the Registered Notes passes only by registration (*inscription*) in the Issuer Register.
- (b) Ownership in respect of the Registered Notes is established by the registration in the Issuer Register.
- (c) Except as ordered by a court of competent jurisdiction or a public authority or as required by law, the Issuer may deem and treat the person registered in the Issuer Register as absolute owner of the Registered Notes for all purposes (whether or not the Registered Note is overdue) and no person will be liable for so treating the holder.
- (d) No transfer of a Registered Note shall be recognised by the Issuer unless entered on the Register and the Issuer Register. In the case of discrepancies between the records of the Register and the Issuer Register, the latter shall prevail.

3. TRANSFERS

3.1 Transfers

A Registered Note may be transferred by depositing at the specified office of the Registrar and Transfer Agent a document evidencing the transfer of the Registered Note in the form satisfactory to the Registrar and Transfer Agent and the Issuer, together with a copy of the passport or ID card of each of the transferor and the transferee and/or such other documents as the Registrar and Transfer Agent and the Issuer may reasonable require.

3.2 Formalities free of charge

Registration of transfer of the Registered Notes will be effected without charge by or on behalf of the Issuer but upon payment (or the giving of such indemnity as the Issuer may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

3.3 Closed Periods

- (a) No Registered Noteholder may require the transfer of a Registered Note to be registered (i) after the Event of Default Notice has been issued pursuant to Condition 9 or (ii) during the period of [fifteen (15)][●] days ending on the due date for any payment in respect of that Registered Note.
- (b) Furthermore, the Issuer shall not be required, in the event of an optional redemption of Registered Notes under Condition 5.4, to register the transfer of Registered Notes (or parts of Registered Notes) during the period beginning on the [twenty-fifth (25th)] [●] day before the Optional Redemption Date and ending on the Optional Redemption Date (both inclusive).

4. STATUS OF THE REGISTERED NOTES [AND INTEREST]

The Registered Notes constitute direct, unsecured and limited recourse obligations of the Issuer and rank *pari passu* and rateably, without any preference among themselves, with all other existing direct, unsecured, limited recourse indebtedness of the Issuer, which has been or will be allocated to the Segregated Portfolio but in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation) claims under the Registered Notes will rank after all other claims of any subordinated or unsubordinated creditor of the Issuer, only to the extent permitted by applicable laws relating to creditors' rights generally.

Pursuant to Section 220 of the Companies Law, the Portfolio Assets shall only be used to meet liabilities due to the creditors in respect of the Segregated Portfolio and are not available or to be used to meet the claims of creditors of the Company or creditors of another segregated portfolio of the Company.

[In the case of non-interest bearing Securities, insert:

No interest or coupon is payable in respect of the Registered Notes.]

[In the case of interest bearing Securities, insert:

The Registered Notes shall bear interest on their Nominal Amount at the Interest Rate from, and including, the Interest Commencement Date to, but excluding, the Maturity Date. Interest (the **Interest Payment Amount**) shall be payable [annually][semi-annually][quarterly][monthly] in arrear on the Interest Payment Dates in each year. Interest will accrue in respect of each Interest Period.

The amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such Interest Payment Date will amount to [●]. If Interest is required to be calculated for a period other than an Interest Period, the amount of interest payable on the Registered Notes in respect of their Nominal Amount for such period shall be calculated by applying the Interest Rate and the Day Count Fraction to the outstanding Nominal Amount of the Registered Notes and rounding the resultant figure to the nearest sub-unit of the Specified Currency, with 0.5 of a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.]

5. REDEMPTION

5.1 Final Redemption

- (a) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem each Registered Note on the Maturity Date by paying the Redemption Amount [*in the case of interest bearing Securities, insert: and the Interest Payment Amount*] [after deduction of the Deferred Selling Fee] to the Registered Noteholders. Once all the Registered Notes have been so redeemed, the obligations of the Issuer under these Conditions shall be fully discharged and the Registered Noteholders shall have no further claim or recourse against the Issuer.
- (b) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Registered Notes after the Maturity Date, including by instalments in accordance with Condition 5.6 below. The relevant Registered Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment.
- (c) The Registered Noteholders will not be entitled to any interest or other payment for the delay in receiving the Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay in the payment of the Redemption Amount shall not constitute an Event of Default as provided in Condition 9 (*EVENTS OF DEFAULT*) below.

5.2 Redemption Amount

In respect of each Registered Note, the Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 5.5 below, to the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Final Valuation Date, as determined by the Calculation Agent (the **Redemption Amount**).

5.3 Early Redemption at the option of the Issuer

- (a) In the event that:
- the Issuer determines in good faith that the performance of its obligations under the Registered Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof; and/or
 - a Force Majeure Event has occurred; and/or
 - a Tax Event has occurred; and/or
 - the obligations of the Issuer arising under, or in connection with, the Registered Notes become, in the opinion and at the discretion of the Issuer, unreasonably burdensome; and/or
 - following a change in applicable law or regulation, the costs for the Issuer arising under, or in connection with, the Registered Notes are higher than the costs that the Issuer reasonably expected to incur at the time of the issue of the Registered Notes; and/or
 - an Index Disruption Event has occurred,

the Issuer may, at its option, issue a notice to the Registered Noteholders in accordance with Condition 14 (*NOTICES*) below by which it informs the Registered Noteholders about the early redemption of the Registered Notes (in whole but not in part) on a date which cannot be less than [ten (10)][●] Business Days after the issue of the notice (the **Early Redemption Date**). On the Early Redemption Date, the Issuer shall redeem each Registered Note by paying the Early Redemption Amount [*in the case of interest bearing Securities, insert:* and the Interest Payment Amount] [after deduction of the Deferred Selling Fee] to the Registered Noteholders. In such a case, the obligations of the Issuer under these Conditions shall be fully discharged and the Registered Noteholders shall have no further claim or recourse against the Issuer.

- (b) The Early Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 5.5 below, to the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Early Redemption Valuation Date, as determined by the Calculation Agent (the **Early Redemption Amount**).
- (c) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Registered Notes after the Early Redemption Date, including by instalments in accordance with Condition 5.6 below. The relevant Registered Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment.
- (d) The Registered Noteholders will not be entitled to any interest or other payment for the delay in receiving the Early Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay for the payment of the Early Redemption Amount shall not constitute an Event of Default as provided in Condition 9 (*EVENTS OF DEFAULT*) below.

5.4 Redemption at the option of the Registered Noteholders

- (a) Without prejudice to their right of early redemption in connection with an Event of Default pursuant to Condition 9 (*EVENTS OF DEFAULT*), any Registered Noteholder may, prior to

the Maturity Date, request the early redemption of all or part of its outstanding Registered Notes on [●] of each calendar year, starting on [●] falling after the expiry of the Lock-Up Period (each an **Optional Redemption Date**).

- (b) In order to exercise its right described in Condition 5.4 (a), a Registered Noteholder shall give to the Issuer, in accordance with Condition 14 (*NOTICES*), not less than [thirty (30)][●] nor more than [sixty (60)][●] Business Days' notice expiring on the Optional Redemption Date.
- (c) Upon receipt of the notice pursuant to (b) above and subject as provided below, the Issuer will redeem each of the relevant Registered Notes on the Optional Redemption Date by paying the Optional Redemption Amount [*in the case of interest bearing Securities, insert: and the Interest Payment Amount*] [after deduction of the Deferred Selling Fee].
- (d) The Optional Redemption Amount corresponds, subject to a Replacement Specification pursuant to Condition 5.5 below, to [the product of (A) the Nominal Amount, (B) the Participation Factor, and (C) the Index Level on the Optional Redemption Valuation Date, as determined by the Calculation Agent][●] (the **Optional Redemption Amount**).
- (e) The notice given by a Registered Noteholder in accordance with this Condition 5.4 shall be irrevocable except where, prior to the Optional Redemption Date, an Event of Default has occurred and is continuing, in which event such Registered Noteholder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 5.4 and instead to declare the Registered Notes forthwith due and payable pursuant to Condition 9.
- (f) If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Registered Notes after that date, including by instalments in accordance with Condition 5.6 below. The relevant Registered Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio.
- (g) The Registered Noteholders will not be entitled to any interest or other payment for the delay in receiving the Optional Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer. For the avoidance of doubt, any such delay in the payment of the Optional Redemption Amount shall not constitute an Event of Default under Condition 9 (*EVENTS OF DEFAULT*) below.

5.5 Replacement Specification

If the Index Level used to determine the Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount (as applicable) is subsequently corrected and the correction (the **Corrected Index Level**) is published by the Index Calculation Agent or the Index Sponsor after the original publication of the Index Level but prior to the Maturity Date, the Early Redemption Date or the Optional Redemption Date (as applicable), then the Calculation Agent will notify the Issuer of the Corrected Index Level without undue delay and shall specify the relevant Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount (as applicable) again using the Corrected Index Level (the **Replacement Specification**) and publish it to the Registered Noteholders in accordance with Condition 14 (*NOTICES*) below. However, if the Calculation Agent is informed of the Corrected Index Level less than [five][●] Business Days prior to the date on which the Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount (as applicable) is to be paid, then the relevant Index Level will not be specified again.

5.6 Redemption by instalments

Should the Issuer not receive sufficient cash from the realisation of the Portfolio Assets to pay the full Redemption Amount, Early Redemption Amount[,], [or] Optional Redemption Amount[,], [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*] (as applicable) when due, the Issuer will (i) pay a Partial Redemption Amount on each Registered Note to the relevant

Registered Noteholder on the relevant due date and (ii) pay any further Partial Redemption Amount from the amounts received from the realisation of the Portfolio Assets after the relevant due date as soon as possible after the realisation.

The Issuer shall forthwith notify the Registered Noteholders in accordance with Condition 14 (*NOTICES*) of the reduced Nominal Amount resulting from the payment of a Partial Redemption Amount and annotate the Register accordingly.

5.7 Purchase of Registered Notes

The Issuer may at any time purchase Registered Notes at any price. Such Registered Notes must be cancelled forthwith. For the avoidance of doubt, this Condition 5.7 does not apply to the Registered Notes held by the Issuer in accordance with Condition 2.1 (b).

5.8 Cancellation

All Registered Notes redeemed by the Issuer upon a Full Repayment will be cancelled forthwith and may not be reissued or resold and the obligations of the Issuer in respect of any such Registered Notes shall be discharged.

6. PAYMENTS

6.1 Limited recourse obligations

- (a) For the avoidance of doubt, the Issuer shall only be obliged to make any payments to the Registered Noteholders in respect of the Registered Notes if, and only to the extent that, the relevant amounts are held in the Segregated Portfolio.

The Issuer shall be discharged of its obligation to pay the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [or] the Partial Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*] (as applicable) to the extent of the payments so made and no late interest will be due on any late payment in this respect.

For the avoidance of doubt, upon a Full Repayment, the relevant Registered Notes are redeemed in full and all claims of the Registered Noteholders shall be satisfied in respect of the Registered Notes so redeemed. In such case, the Registered Noteholders may not take any further steps against the Issuer to recover any further sums in respect of such Registered Notes and their right to receive any such sums shall be extinguished.

- (b) Qualified subordination clause

- All claims under the Registered Notes, including but not limited to the claims for payment of the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,] [and] the Partial Redemption Amount[,] [and] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*], applying mutatis mutandis in accordance with Section 19 (2) sentence 2 of the German Insolvency Code (*Insolvenzordnung*, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Registered Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in Section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in Section 39 (2) InsO. A waiver with respect to the claims is not possible.
- Payments under the Registered Notes may be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.

- The Registered Noteholders may not demand satisfaction of their claims if this results, or threatens to result, in the Company becoming overindebted (*überschuldet*) or unable to pay its debts (*zahlungsunfähig*) applying mutatis mutandis within the meaning of German insolvency law.
- Paragraphs (i) to (iii) apply both before and after the opening of insolvency proceedings.
- In all other respects, the Registered Noteholders are entitled without restriction to assert their rights under the Registered Notes and to claim performance.
- For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Company as a whole (*Gläubigergesamtheit*) applying mutatis mutandis within the meaning of Section 328 (2) of the German Civil Code (*Bürgerliches Gesetzbuch*). Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Company.

6.2 Payments in [Euro][British Pound][Swiss Franc][US Dollar][●]

Subject to as provided below, payments in respect of the Registered Notes will be made by credit or transfer to a [Euro][British Pound][Swiss Franc][US Dollar][●] denominated account of the relevant Registered Noteholder the details of which are recorded in the Register at a given time.

6.3 Determinations

- (a) All calculations to be made under these Conditions (including the determinations of the Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount[,], [or] the Partial Redemption Amount[,], [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*]) will be made by the Calculation Agent appointed by the Issuer.
- (b) In the absence of the Calculation Agent's wilful misconduct, bad faith or manifest error, the calculations of the Calculation Agent will be binding on the Registered Noteholders.

6.4 Fractions

When making payments to the Registered Noteholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

6.5 Payments subject to fiscal laws

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment. A payment made in accordance with the provisions of this Condition 6 (*PAYMENTS*) above shall be a good discharge for the Issuer.

6.6 Delay in payment or partial payments

A Registered Noteholder will not be entitled to any interest or any other payment for any delay after the due date in receiving the amount due as a result of the due date not being a Business Day.

If any amount due on the Registered Notes is not paid in full, the Issuer will annotate the Issuer Register and cause the Register to be annotated with a record of the amount in fact paid.

6.7 Business Days

If a payment date referred to in these Conditions falls on a day which is not a Business Day, such payment date shall be postponed to the next following day which is a Business Day, provided that the Registered Noteholders shall not be entitled to any interest or other sum in respect of such postponed payment.

6.8 Payment of tax refunds

Tax refunds received by the Issuer in respect of the Portfolio Assets will be allocated to the Segregated Portfolio and re-invested.

7. MISCELLANEOUS

7.1 Companies Law (2016 Revision)

By subscribing to the Registered Notes, or otherwise acquiring the Registered Notes, each Registered Noteholder expressly acknowledges and accepts, and will be deemed to have accepted and acknowledged, that the Company (i) is subject to the Companies Law and (ii) has created the Segregated Portfolio in respect of the Registered Notes to which all assets, rights, claims and agreements relating to the Registered Notes will be allocated. Furthermore, each Registered Noteholder acknowledges and accepts that it has only recourse to the Portfolio Assets and not to the assets allocated to any other segregated portfolios created by the Company or the general assets of the Company. Each Registered Noteholder expressly acknowledges and accepts that once all the assets allocated to the Segregated Portfolio have been realised, it is not entitled to take any further steps against the Issuer or the Company to recover any further sums due and the right to receive any such sum shall be extinguished. Each Registered Noteholder accepts not to attach or otherwise seize the assets of the Issuer allocated to the Segregated Portfolio or to other segregated portfolios of the Company or the general assets of the Company. In particular, none of the Registered Noteholders shall be entitled to (i) institute against the Company or any segregated portfolio of the Company, including the Segregated Portfolio, or join or assist any other person in instituting against the Company or any segregated portfolio of the Company, including the Segregated Portfolio, any winding-up, liquidation, bankruptcy, arrangement or insolvency proceedings under any Cayman Islands law, Luxembourg law or similar law of any jurisdiction, or (ii) apply for a receivership order under Section 224 of the Companies Law in respect of the Segregated Portfolio or any other segregated portfolio of the Company. In the case of a conflict between the provisions of this Condition 7.1 and the other Conditions, the provisions of this Condition 7.1 shall prevail.

By subscribing for the Registered Notes, or otherwise acquiring the Registered Notes, each Registered Noteholder expressly acknowledges and accepts that it has no direct right in respect of the Portfolio Assets.

7.2 Exclusion of application for winding-up

For the avoidance of doubt, no Registered Noteholder may initiate proceedings against the Issuer or the Company based on Section 94 of the Companies Law.

7.3 Collateral

The Issuer endeavours to hold at any time assets that are, in its reasonable discretion, suitable to ensure full and punctual payment of the Redemption Amount, the Early Redemption Amount[,] [or] the Optional Redemption Amount[,] [or] [*in the case of interest bearing Securities, insert: the Interest Payment Amount*], respectively. The Issuer shall not be obliged to directly, indirectly, or synthetically invest in the Index Components.

8. TAXATION

All payments by or on behalf of the Issuer in respect of the Registered Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

9. EVENTS OF DEFAULT

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (a) if the Issuer fails to perform or observe any of its material obligations under the Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of thirty (30) days next following the service by a Registered Noteholder on the Issuer of notice requiring the same to be remedied; or
- (b) a court order is made or an effective resolution is passed or a notice is issued convening a meeting for the purpose of passing any resolution or any other step is taken for the winding-up, insolvency, bankruptcy, administration, reorganisation or reconstruction of the Company or for the appointment of a liquidator, administrator, administrative receiver, receiver, trustee or similar officer of the Company or the Segregated Portfolio or similar Cayman Islands or foreign laws proceedings affecting the rights of creditors generally are opened against the Company and remain unstayed in effect for a period of thirty (30) consecutive days; or
- (c) if the Company stops or threatens to stop payment of, or is unable, or admits inability, to pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law and has lost its creditworthiness,

then the Issuer shall promptly notify the Registered Noteholders of the occurrence of the relevant Event of Default and any Registered Noteholder may, by written notice (the **Event of Default Notice**) to the Issuer, effective upon the date of receipt thereof by the Issuer, declare all (but not part only) of the Registered Notes held by it to be forthwith due and payable within the next thirty (30) days whereupon each of the same shall become so payable at the Optional Redemption Amount without presentment, demand, protest or other notice of any kind.

If the Issuer, having used all reasonable efforts, was unable to realise all or part of the Portfolio Assets, the Issuer may redeem the relevant Registered Notes after that date, including by instalments in accordance with Condition 5.6 above. The relevant Registered Notes shall not be deemed fully redeemed unless and until there are still any assets left in the Segregated Portfolio. The Issuer shall undertake to use all reasonable means to promptly achieve a Full Repayment. The Registered Noteholders will not be entitled to any interest or other payment for the delay suffered in receiving the Optional Redemption Amount unless such delay has been caused by wilful misconduct or gross negligence of the Issuer.

10. PRESCRIPTION

[In the case of non-interest bearing Securities, insert:

Claims against the Issuer for payment in respect of the Registered Notes shall be prescribed and become void unless made within ten years from the date on which the relevant payment first becomes due.]

[In the case of interest bearing Securities, insert:

Claims against the Issuer for payment in respect of the Registered Notes shall be prescribed and become void unless made within ten years (in the case of the Redemption Amount, the Early

Redemption Amount, and the Optional Redemption Amount) and five years (in the case of the Interest Payment Amount) from the date on which the relevant payment first becomes due.]

11. MEETING OF NOTEHOLDERS

11.1 Articles 470-3 to 470-19 of the Companies Act 1915 are not applicable to the Registered Notes, according to article 470-20 of the Companies Act 1915.

11.2 The Base Prospectus in respect of the Registered Notes contains detailed provisions (as set out in the section entitled "*Noteholder Meeting Provisions*") for convening (i) meetings of the Registered Noteholders, (ii) joint meeting of holders of more than one series of notes in registered form issued by the Company under one or more of its segregated portfolios (including, where applicable, the Registered Notes), (iii) joint meetings of holders of more than one series of the Registered Notes and (iv) joint meetings of holders of more than one series of outstanding notes (including notes in both registered form and bearer form) issued by the Company under more than one of its segregated portfolios.

11.3 At meetings of the Registered Noteholders, the Registered Noteholders will deliberate and resolve on matters that relate specifically and exclusively to the Registered Notes. A meeting of the Registered Noteholders shall have powers:

- (a) to sanction the release of the Issuer from the payment of all or any part of the monies payable pursuant to these Conditions in respect of the Registered Notes;
- (b) (subject to Condition 12 below) to sanction any modification of the Conditions specifically affecting the rights of the Registered Noteholders; and
- (c) to vote on any resolutions tabled by the board of directors of the Company and specifically affecting the Registered Notes.

11.4 For the avoidance of doubt, a resolution which affects Registered Noteholders of more than one series of notes issued by the Issuer or the Company (as applicable) may be passed at a single meeting of Registered Noteholders only if it does not give rise to a conflict of interest between such noteholders.

11.5 Subject to Condition 11.4:

- (a) at joint meeting of holders of more than one series of notes in registered form issued by the Company under one or more of its segregated portfolios (including, where applicable, the Registered Notes), the relevant Registered Noteholders will deliberate and resolve on matters that relate to such notes;
- (b) at joint meetings of holders of more than one series of the Registered Notes, the relevant Registered Noteholders will deliberate and resolve on matters that relate to such Registered Notes and the Segregated Portfolio in general; and
- (c) at joint meetings of holders of more than one series of outstanding notes issued by the Company under any and all of its segregated portfolios, the relevant holders (including, where applicable, the Registered Noteholders) will deliberate and resolve on matters that relate to such notes or the Company in general.

12. MODIFICATION

The Issuer may make, without the consent of the Registered Noteholders, any modification to the Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Company is incorporated or to reflect any change of law which has an impact on the Issuer's obligations under the Registered Notes.

Any such modification shall be binding on the Registered Noteholders and any such modification shall be notified to the Registered Noteholders by way of a notice in accordance with Condition 14 (*NOTICES*).

No modifications to the Conditions may be made by the Registered Noteholders without the Issuer's written consent.

13. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Registered Noteholders, create and issue under the Segregated Portfolio further notes (i) having the same Conditions in all respects as the outstanding Registered Notes except for the Issue Date, so that such further issue shall be consolidated and form a single series with the outstanding Registered Notes, and references in these Conditions to the Registered Notes shall be construed accordingly or (ii) upon such terms and conditions as the Issuer may determine at the time of their issue. In addition, the Company may, without the consent of the Registered Noteholders, issue all types of securities under other segregated portfolios set up by it. The Issuer will inform the existing Registered Noteholders of any issuance of further Registered Notes under the Segregated Portfolio pursuant to (ii) via a notice in accordance with Condition 14.

14. NOTICES

14.1 Form of notice

A notice:

must be in the English language; and

may be given by the addressor itself or on behalf of the addressor by a solicitor, director or company secretary of the addressor.

14.2 Notices to the Registered Noteholders

All notices to the Registered Noteholders (including notices convening a meeting of Registered Noteholders) will be deemed to be validly given if published on the website of the Issuer ([www.timberlandsecurities.com][●] or any successor or replacement address thereto) or in a newspaper with a general circulation in a jurisdiction where the Registered Notes have been or will be offered to the public (the **Public Offer Jurisdiction[s]**). Any such notice will be deemed to have been given on the date of the first publication. A detailed up-to-date list of the relevant newspapers in [the][each] Public Offer Jurisdiction is published on the Issuer's website ([www.timberlandsecurities.com][●] or any successor or replacement address thereto).

14.3 Notices to the Issuer

All notices to the Issuer will be deemed to be validly given if sent by registered mail to the Registrar and Transfer Agent at its specified office and the Issuer at its registered office as published in the files of the Registrar of Companies in the Cayman Islands and will be deemed to have been given on the fifth (5th) Business Day after mailing with a copy emailed to [●].

15. REGISTRAR AND TRANSFER AGENT

Each of the Registrar and Transfer Agent and the Distribution Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Registered Noteholders. The Issuer reserves the right at any time, without the prior approval of the Registered Noteholders, to vary or terminate the appointment of each of the Registrar and Transfer Agent and the Distribution Agent, provided that the Issuer will at all times maintain a Registrar and Transfer Agent and a Distribution Agent having a specified office in the European Union. Notice of

any such change will promptly be given to the Registered Noteholders in accordance with Condition 14 (*NOTICES*).

Each of the Registrar and Transfer Agent and the Distribution Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

16. SUBSTITUTION OF THE ISSUER

The Issuer shall be entitled at any time, without the consent of the Registered Noteholders, if no payment of principal of any of the Registered Notes is in default, to substitute for the Issuer another person (the **Substitute Issuer**) as principle debtor under all Registered Notes in respect of any and all obligations arising from and in connection with the Registered Notes, provided that:

- (a) the Substitute Issuer is solvent and can perform all obligations under and in connection with the Registered Notes;
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;
- (c) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of a prospectus for the public offering of the Registered Notes) from the authorities of the country in which it has its registered office;
- (d) the Issuer has transferred the Portfolio Assets to the Substitute Issuer; and
- (e) the substitution of the Substitute Issuer for the Issuer does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Registered Noteholders.

Notice of any such substitution shall be given to the Registered Noteholders in accordance with Condition 14.

The Issuer will not guarantee the obligations of the Substitute Issuer under the Registered Notes after the substitution. The Registered Noteholders, by subscribing for, or otherwise acquiring, the Registered Notes, are deemed to have (i) consented to any substitution of the Issuer effected in accordance with this Condition 16 and to the release of the Issuer from any and all obligations in respect of the relevant Registered Notes and these presents; and (ii) accepted such substitution and the consequences thereof.

After the substitution of the Issuer by a Substitute Issuer this Condition 16 shall apply again. In the event of such a substitution, every reference in these Conditions to the Issuer shall be deemed to refer to the Substitute Issuer.

17. GOVERNING LAW AND JURISDICTION

17.1 Governing Law

The Registered Notes are governed by, and shall be construed in accordance with, Luxembourg law.

17.2 Jurisdiction

The Luxembourg district courts are to have jurisdiction to settle any disputes which may arise out of or in connection with the Registered Notes and accordingly any legal action or proceedings arising out of or in connection with the Registered Notes (**Proceedings**) may be brought in such courts. Each of the Issuer and the Registered Noteholders irrevocably submit to the jurisdiction of the Luxembourg district courts and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

DESCRIPTION OF THE [OPTIMIX A] [OPTIMIX B] [OPTIMIX C] [PRECIOUS METALS] [OPTIMIX WORLD] [TOP-10] [BONDS PORTFOLIO] [●] INDEX

1. BASIC PRINCIPLES OF THE INDEX

The [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●] Index] (the **Index**) is an index that was developed and designed, and is sponsored by [Timberland Fund Management Ltd.][Timberland Services Ltd.][●] (the **Index Sponsor[s]**) and is calculated by [Timberland Services Ltd.][●] (the **Index Calculation Agent**) in accordance with this Index Description. The Index reflects the performance/value of a basket consisting of a Securities Component and a Cash Component subject to the deduction of certain fees and costs. The basket (and thus also the Index) is designed to achieve a steady increase in value while volatility or similar parameters that define the underlying strategy (the **Objective of the Index**) in accordance with the [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] Strategy (as defined below).

2. COMPOSITION OF THE INDEX

The Index is composed of the Index Components which are weighed in accordance with the [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] Strategy [in the case of Securities linked to the [●] Index, insert: [●]] (the **Index Composition**).

Whereby

Cash Component means a virtual non-interest bearing amount in [Euro][●].

Index Components means the Securities Component and the Cash Component.

Issuer of the Underlying Securities means [(i) Timberland Investment SA or a compartment (within the meaning of the Securitisation Act) of Timberland Investment SA, or (ii) its respective successor or, (iii), in case of a substitution of the Issuer of the Underlying Securities, a Substitute Issuer of the Underlying Securities or [a] [compartment[s]] [(within the meaning of the Securitisation Act)][segregated portfolio[s]] [(within the meaning of the Companies Law)] of [a] Substitute Issuer[s] of the Underlying Securities][●].

Securities Component means the Underlying Securities weighed in accordance with the [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] Strategy.

Securitisation Act 2004 means the law of 22 March 2004 on securitisation of Luxembourg.

Underlying Securities means the following securities issued by the Issuer of the Underlying Securities: [Equity Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the Equity Portfolio Limited Recourse Bonds*")][,] [Bonds Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the Bonds Portfolio Limited Recourse Bonds*")][,] [Precious Metals Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the Precious Metals Portfolio Limited Recourse Bonds*")][,] [OptiMix Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the OptiMix Portfolio Limited Recourse Bonds*")][,] [and] [Top-10 Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the Top-10 Portfolio Limited Recourse Bonds*") [and] [[●] Portfolio Limited Recourse Bonds (as set out in section entitled "*Description of the [●] Limited Recourse Bonds*")]] ([each an][the] **Underlying Security**).

[In the case of Securities linked to the OptiMix A Index, insert: **OptiMix A**] [in the case of Securities linked to the OptiMix B Index, insert: **OptiMix B**] [in the case of Securities linked to the OptiMix C Index, insert: **OptiMix C**] [in the case of Securities linked to the Precious Metals Index, insert: **Precious Metals**] [in the case of Securities linked to the OptiMix World Index, insert: **OptiMix World**] [in the case of Securities linked to the Top-10 Index, insert: **Top-10**] [in the case of Securities linked to the Bonds Portfolio Index, insert: **Bonds Portfolio**] [in the case of Securities linked to the [●] Index, insert: [●]] **Strategy** means that the share of the Cash Component in the Index is [2][●] per cent. and the share of the Underlying Securities in the Index is [98][●] per cent. Furthermore, Underlying Securities are weighed within the Securities Component as follows:

[In the case of Securities linked to the OptiMix A Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	70 per cent.
Bonds Portfolio Limited Recourse Bonds	15 per cent.
Precious Metals Portfolio Limited Recourse Bonds	15 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the OptiMix B Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	60 per cent.
Bonds Portfolio Limited Recourse Bonds	20 per cent.
Precious Metals Portfolio Limited Recourse Bonds	20 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the OptiMix C Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	50 per cent.
Bonds Portfolio Limited Recourse Bonds	25 per cent.
Precious Metals Portfolio Limited Recourse Bonds	25 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the Precious Metals Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	0 per cent.
Bonds Portfolio Limited Recourse Bonds	0 per cent.
Precious Metals Portfolio Limited Recourse Bonds	100 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the OptiMix World Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	0 per cent.
Bonds Portfolio Limited Recourse Bonds	10 per cent.
Precious Metals Portfolio Limited Recourse Bonds	0 per cent.
OptiMix Portfolio Limited Recourse Bonds	90 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the Top-10 Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	0 per cent.
Bonds Portfolio Limited Recourse Bonds	30 per cent.
Precious Metals Portfolio Limited Recourse Bonds	0 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	70 per cent.

]

[In the case of Securities linked to the Bonds Portfolio Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	0 per cent.
Bonds Portfolio Limited Recourse Bonds	100 per cent.
Precious Metals Portfolio Limited Recourse Bonds	0 per cent.
OptiMix Portfolio Limited Recourse Bonds	0 per cent.
Top-10 Portfolio Limited Recourse Bonds	0 per cent.

]

[In the case of Securities linked to the [●] Index, insert:

Underlying Security	Weighting
Equity Portfolio Limited Recourse Bonds	[●] per cent.
Bonds Portfolio Limited Recourse Bonds	[●] per cent.
Precious Metals Portfolio Limited Recourse Bonds	[●] per cent.
OptiMix Portfolio Limited Recourse Bonds	[●] per cent.
Top-10 Portfolio Limited Recourse Bonds	[●] per cent.

]

3. CALCULATION OF THE INDEX

3.1 Index Calculation Agent

The Index Sponsor has assigned all rights and duties with regard to Index Calculation to the Index Calculation Agent. The Index Sponsor is at any time authorised to select a new Index Calculation Agent (the **New Index Calculation Agent**). Each reference in the Index Description to the Index Calculation Agent will be deemed to refer to the New Index Calculation Agent.

The Index Calculation Agent shall apply the rules and methodology described in this Index Description. Its application of such rules and methodology shall be conclusive and binding except in case of manifest error.

3.2 Calculation method

The Index will initially be calculated on [●] (the **Index Commencement Date**). The initial Index Level on the Index Commencement Date is 100 index points, one index point corresponding to EUR 0.01. The index points are calculated with 2 decimals. Decimals are not corresponding to an EUR amount (rounded down EUR amount). On each Index Calculation Day (t) the Index Calculation Agent shall calculate the level of the Index (the **Index Level**). Index Calculation Day means a day (other than a Saturday and a Sunday) on which credit institutions are open for general business in [Germany][●], and which is also a TARGET2 Day (an **Index Calculation Day**).

[In the case of non-interest bearing Securities, insert:

$$\text{Index Level}_t = [\text{NAV}_{\text{IC}} [- \text{MF}] [- \text{AF}] [- \text{TECF}] [- \text{PF}] [- \text{DC}]] [\bullet]$$

[In the case of interest bearing Securities, insert:

$$\text{Index Level}_t = [\text{NAV}_{\text{IC}} - \text{TECF} - \text{MF} - \text{AF} - \text{PF} - \text{DC} - \text{DF}.][\bullet]$$

Whereby

[NAV_{IC} = Net Asset Value of the Index Components;]

[TECF = Tracking Error Correction Factor;]

[MF = Management Fee;]

[AF = Arranger Fee;]

[PF = Performance Fee;]

[DC = Distribution Commission[;][.]]

[In the case of other component(s) of the Index Level_t insert component(s) of the Index Level_t: [●][.]]

[In the case of interest bearing Securities, insert:

DF = Distribution Factor].

Arranger means [Timberland Securities Investment plc][Timberland Investment Ltd.][●].

Arranger Fee means a fee of [●] index points per calendar day. The Arranger Fee only applies until [●]. If an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Arranger Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level

for the relevant Index Calculation Day. The Arranger has the sole and absolute discretion to lower the Arranger Fee to [0.00][●] index points.

Distribution Commission means a fee of [0,00246575][●] index points per calendar day; if an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Distribution Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level for the relevant Index Calculation Day. The Investment Advisor has the sole and absolute discretion to lower the Distribution Fee to [0.00][●] index points.

[In the case of interest bearing Securities, insert:

Distribution Factor means the Interest Payment Amount paid to [Bearer][Registered] Noteholders according to Condition [3][4] of the "Conditions of the [in the case of Securities linked to the OptiMix A Index, insert: OptiMix A] [in the case of Securities linked to the OptiMix B Index, insert: OptiMix B] [in the case of Securities linked to the OptiMix C Index, insert: OptiMix C] [in the case of Securities linked to the Precious Metals Index, insert: Precious Metals] [in the case of Securities linked to the OptiMix World Index, insert: OptiMix World] [in the case of Securities linked to the Top-10 Index, insert: Top-10] [in the case of Securities linked to the Bonds Portfolio Index, insert: Bonds Portfolio] [in the case of Securities linked to the [●] Index, insert: [●]] Index-Linked [Bearer][Registered]" divided by the Index Level calculated by the Index Calculation Agent on the relevant Interest Payment Date.]

Gross Increase of the Index Level (GIIL (t)) means on any valuation date a level equal to the difference of the Index Level on valuation date (t) and the applicable Relevant Highest Level, provided that solely for this purpose the Index Level after deduction of the Management Fee, Arranger Fee and, the Tracking Error Correction Factor (if any), and the Distribution Commission [in the case of interest bearing Securities, insert: , and the Distribution Factor], but before deduction of the Performance Fee, if any, will be used in order to calculate the Index Level.

Management Fee means a fee of [0,00246575][●] index points per calendar day; if an Index Calculation Day has been immediately preceded by a calendar day (or more than one consecutive calendar days) which is not an Index Calculation Day, the Management Fee for such calendar day which is not an Index Calculation Day is applied to the calculation of the Index Level for the relevant Index Calculation Day. The Investment Advisor has the sole and absolute discretion to lower the Management Fee to [0.00][●] index points.

Investment Advisor means [Timberland Fund Management Ltd.][●].

Net Asset Value of the Index Components means the net asset value of the Index Components on the relevant Index Calculation Day (t) as determined by the Index Calculation Agent and calculated in index points whereby EUR 0.01 corresponds to one index point.

Performance Fee means a fee which on any valuation date (PF (t)) will be equal to [●]% in relation to the positive Gross Increase of the Index Level plus VAT if applicable in the relevant jurisdiction of the Investment Advisor, currently Malta ((currently [18%][●]), resulting in an aggregate percentage of currently [●]%). The Performance Fee will only be applied if the Index Level on the relevant valuation date is higher than the Relevant Highest Level. Any Performance Fee incurred will be deducted on a monthly basis from the Index Level on the last Index Calculation Day of each month. The Performance Fee will be calculated in accordance with the following formula:

$$PF (t) = \max(0; GIIL (t) \times [●]\%)$$

Relevant Highest Level means the initial Index Level on the Index Commencement Date. Thereafter, the Relevant Highest Level will be determined on each valuation date in accordance with the following provisions:

- (a) The Relevant Highest Level will be the highest Index Level reached on any valuation date preceding the relevant valuation date (after deduction of the Performance Fee); i.e. if the Index Level (after deduction of the Performance Fee) on any valuation date exceeds the Relevant Highest Level applicable on such valuation date, then the Relevant Highest Level will be deemed to be equal to the Index Level (after deduction of the Performance Fee). The Relevant Highest Level adjusted in this manner will apply from the next following valuation date. If the Index Level (after deduction of the Performance Fee) on any valuation date does not exceed the Relevant Highest Level applicable on such valuation date, then the Relevant Highest Level will remain unchanged, except as provided in the following paragraph.
- (b) In [each][year][month][quarter][half-year], on [the 1st of January of each year] [*insert date(s) or description: [●]*] [starting from [●]] (if such calendar day(s) is/are a valuation date, and in all other cases on the next following valuation date) (each an **Relevant Highest Level Reset Date**), the Relevant Highest Level will be reset so that it will be equal to the Index Level (after deduction of the Performance Fee) on such Relevant Highest Level Reset Date. If the Index Level on such day is lower than the previous Relevant Highest Level, the Relevant Highest Level will be reduced accordingly.

Tracking Error Correction Factor means [0.5][●] per cent. of the Net Asset Value of the Index Components. The Investment Advisor has the sole and absolute discretion to lower the Tracking Error Correction Factor to [0.00][●] per cent.

3.3 Publication of the Index Level

The Index Level shall be published on [www.timberlandsecurities.com][●] or any successor or replacement address thereto. Publication takes place on each Index Calculation Day.

4. INDEX CORRECTIONS

If the Index Calculation Agent determines in its reasonable discretion in respect of an Index Calculation Day that the Net Asset Value of the Index Components used to determine the Index Level was incorrect, e.g. because the price of one or more underlying assets of the Index Components is subsequently corrected or if a hypothetical investor would not have been able to sell one or more underlying assets of the Index Components at the price(s) used to determine the relevant Index Level, it may subsequently correct the relevant Index Level within a period of [five][●] Business Days after the initial publication of the relevant Index Level.

5. ADJUSTMENTS

5.1 Adjustments of the Index calculation

The Index Calculation Agent calculates the Index in compliance with this Index Description on the basis of the composition of the Index as set out under Clause 2 and the provisions on the calculation of the Index as set out under Clause 3. If, in the reasonable discretion of the Index Calculation Agent, tax, regulatory, statutory, economic or other relevant circumstances would significantly affect the calculation of the Index, the Index Calculation Agent may, in its reasonable discretion, adjust the calculation of the Index by deviating from, or performing changes to, the calculation method as detailed in the Index Description, in order to make up for the effect caused on the Index calculation. Any such adjustment is subject to the proviso that the general concept and, in particular, the Objective of the Index are maintained, and provided that the financial conditions of the investors who have acquired financial products linked to the Index should not substantially change to their disadvantage. In the event of an adjustment of the calculation of the Index, the Index Calculation Agent will publish the relevant adjustment on [www.timberlandsecurities.com][●] or any successor or replacement address thereto without undue delay.

5.2 Adjustments of the Index Composition

If, in the reasonable discretion of the Index Sponsor regulatory, statutory, economic, tax or other relevant circumstances would require an adjustment of the Index Composition in order to pursue the Objective of the Index, the Index Sponsor may, in its reasonable discretion, adjust the Index Composition. Any such adjustment is subject to the proviso that the general concept and, in particular, the Objective of the Index are maintained, and provided that the financial conditions of the investors who have acquired financial products linked to the Index should not substantially change to their disadvantage. In the event of an adjustment of the Index Composition, the Index Sponsor will publish the relevant adjustment on [www.timberlandsecurities.com][●] or any successor or replacement address thereto without undue delay.

5.3 Adjustments of the Index due to an Index Replacement Event

In the case of an Index Replacement Event the [Index Sponsor][Index Calculation Agent] is entitled to determine [in its reasonable discretion][acting in accordance with relevant market practice and in good faith], which index should be used in the future as an Index (the "**Replacement Index**"). Any reference to the replaced Index in the herein shall be deemed to refer to the Replacement Index. In the case of an Index Replacement Event, the Index Sponsor will publish the relevant adjustment on [www.timberlandsecurities.com][●] or any successor or replacement address thereto without undue delay.

Whereby

"**Index Replacement Event**" means

- (a) any change in the relevant index concept or the calculation of the Index, that [in the reasonable discretion of the Index Calculation Agent][as determined by the Index Calculation Agent acting in accordance with relevant market practice and in good faith] result in a new relevant index concept or calculation of the Index being no longer economically equivalent to the original relevant index concept or the original calculation of the Index;
- (b) the calculation or publication of the Index is finally discontinued, or replaced by another index;
- (c) due to circumstances for which the Issuer is not responsible, the Issuer is no longer entitled to use the Index as basis for any calculation or specifications described herein;
- (d) any event which is economically equivalent to one of the above-mentioned events with regards to its consequences on the Index.

[(e) [●]]

5.4 Adjustments of the function of the Index Sponsor

If the Index is no longer determined by the Index Sponsor but rather by another person, company or institution other than the Index Sponsor (the "**New Index Sponsor**"), then any calculation herein described shall occur on the basis of the Index as determined by the New Index Sponsor. Any reference to the replaced Index Sponsor herein shall be deemed to refer to the New Index Sponsor.

6. SUBSTITUTION OF THE ISSUER OF THE UNDERLYING SECURITIES

The Issuer shall be entitled at any time[, without the consent of the Registered Noteholders,] to substitute for the Issuer of the Underlying Securities another person (the **Substitute Issuer of the Underlying Securities**) as issuer of the Underlying Securities, provided that

- (a) the Substitute Issuer of the Underlying Securities is solvent and can perform all obligations under and in connection with the Underlying Securities;
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer of the Underlying Securities;
- (c) the Substitute Issuer of the Underlying Securities has been granted all necessary consents from the authorities of the country in which it has its registered office;
- (d) the assets underlying the Underlying Securities have been transferred from the Issuer of the Underlying Securities to the Substitute Issuer of the Underlying Securities; and
- (e) the substitution of the Substitute Issuer of the Underlying Securities for the Issuer of the Underlying Securities does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Noteholders.

In the event of an substitution in accordance with this Clause 6, the Issuer will publish the relevant information on [www.timberlandsecurities.com][●] or any successor or replacement address thereto without undue delay.

7. DISCLAIMER

The Index exists exclusively in the form of data records and by no means represents any legal or economic ownership in respect of the Index Components. Neither an issuer of financial instruments linked to the Index nor the Index Calculation Agent or the Index Sponsor shall be obliged to invest into the Index Components or to hold them.

The calculation and composition of the Index has and will be performed by the Index Calculation Agent and the Index Sponsor with all due care. However, neither the Index Sponsor nor the Index Calculation Agent shall give any representation or guarantee for the correctness of the calculation of the relevant market parameters. Neither the Index Sponsor nor the Index Calculation Agent shall accept any liability for any direct or indirect damage which may result from an incorrect calculation of the relevant market parameters.

NOTEHOLDER MEETING PROVISIONS

[No Noteholder Meeting and/or Noteholder voting provisions apply. Any rights of the Noteholders in regard to meeting and voting in regard of any Note(s) are in accordance with the Luxemburg legal provisions and the articles of association of the Company.]

[•]

1. DEFINITIONS

As used herein, the following expressions have the following meanings unless the context otherwise requires:

[in the case of Bearer Notes, the following applies:

voting certificate means an English language certificate issued by the Bearer Notes Paying Agent and dated in which it is stated that the bearer of the voting certificate is entitled to attend and vote at the meeting and any adjourned meeting in respect of the Bearer Notes represented by the certificate;

block voting instruction means an English language document issued by the Bearer Notes Paying Agent and dated which:

- (a) relates to a specified nominal amount of Bearer Notes and a meeting (or adjourned meeting) of the holders of the Series of which those Bearer Notes form part;
- (b) states that the Bearer Notes Paying Agent has been instructed (either by the holders of the Bearer Notes or by a relevant clearing system) to attend the meeting and procure that the votes attributable to the Bearer Notes are cast at the meeting in accordance with the instructions given;
- (c) identifies with regard to each resolution to be proposed at the meeting the nominal amount of Bearer Notes in respect of which instructions have been given that the votes attributable to them should be cast in favour of the resolution and the nominal amount of Bearer Notes in respect of which instructions have been given that the votes attributable to them should be cast against the resolution; and
- (d) states that one or more named persons (each a proxy) is or are authorised and instructed by the Bearer Notes Paying Agent to cast the votes attributable to the Bearer Notes identified in accordance with the instructions referred to in (c) as set out in the block voting instruction;

a **relevant clearing system** means, in respect of any Bearer Notes represented by a Global Note, any clearing system on behalf of which the Global Note is held or which is the bearer of the Global Note, in either case whether alone or jointly with any other clearing system(s);]

24 hours means a period of 24 hours including all or part of a day on which banks are open for business both in the place where the meeting is to be held and in the place where the *[in the case of Bearer Notes, the following applies: Bearer Notes Paying Agent] [and][or] [in the case of Registered Notes, the following applies: Registrar and Transfer Agent]* has its specified office (disregarding for this purpose the day on which the meeting is to be held); and

48 hours means a period of 48 hours including all or part of two days on which banks are open for business both in the place where the meeting is to be held and in the place where the *[in the case of Bearer Notes, the following applies: Bearer Notes Paying Agent] [and][or] [in the case of Registered Notes, the following applies: Registrar and Transfer Agent]* has its specified office (disregarding for this purpose the day on which the meeting is to be held).

[Noteholder(s)] means the *[in the case of Bearer Notes, the following applies: [with respect to Bearer Notes,] Bearer Noteholders] [and][or] [in the case of Registered Notes, the following applies: [with respect to Registered Notes,] Registered Noteholders].*

Series means the relevant series of [Bearer][Registered] Notes. References in this section to the *[in the case of Bearer Notes, the following applies: Bearer] [and][or] [in the case of Registered Notes, the following applies: Registered] Notes* are to the Series of *[in the case of Bearer Notes, the following applies: Bearer] [and][or] [in the case of Registered Notes, the following applies: Registered] Notes* in respect of which the meeting is, or is proposed to be, convened. References in this section to the Notes are to the Series of *[in the case of Bearer Notes, the following applies: Bearer] [or] [in the case of Registered Notes, the following applies: Registered] Notes* [, or to the Series of Bearer Notes and Series the Registered Notes collectively] in respect of which the meeting is, or is proposed to be, convened and references to the Noteholders shall be construed accordingly.

For the purposes of calculating a period of clear days, no account shall be taken of the day on which a period commences or the day on which a period ends.

2 EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

2.1 The following persons (each an Eligible Person) are entitled to attend and vote at a meeting of the holders of Notes:

[In the case of Bearer Notes, the following applies:

- (a) a holder of any Bearer Notes in definitive bearer form;
- (b) a bearer of any voting certificate in respect of the Bearer Notes;
- (c) a proxy specified in any block voting instruction.]

[In the case of Registered Notes, the following applies:

- [(a)][(d)] a holder of a Registered Note; and
- [(b)][(e)] a proxy appointed by a holder of a Registered Note.]

[In the case of Bearer Notes, the following applies:

A Bearer Noteholder may require the issue by the Bearer Notes Paying Agent of voting certificates and block voting instructions in accordance with the terms of Subclauses 2.2 to 2.5.

For the purposes of Subclauses 2.2 and 2.5, the Bearer Notes Paying Agent shall be entitled to rely, without further enquiry, on any information or instructions received from a relevant clearing system and shall have no liability to any Bearer Noteholder or other person for any loss, damage, cost, claim or other liability caused by its reliance on those instructions, nor for any failure by a relevant clearing system to deliver information or instructions to the Bearer Notes Paying Agent.

The holder of any voting certificate or the proxies named in any block voting instruction shall for all purposes in connection with the meeting or adjourned meeting be deemed to be the holder of the Bearer Notes to which the voting certificate or block voting instruction relates and the Bearer Notes Paying Agent with which the Bearer Notes have been deposited or the person holding the Bearer Notes to the order or under the control of any Bearer Notes Paying Agent shall be deemed for those purposes not to be the holder of those Bearer Notes.

2.2 Definitive Bearer Notes - voting certificate

A holder of a Bearer Note in definitive form may obtain a voting certificate in respect of that Bearer Note from the Bearer Notes Paying Agent (unless the Bearer Note is the subject of a block voting

instruction which has been issued and is outstanding in respect of the meeting specified in the voting certificate or any adjourned meeting) subject to the holder procuring that the Bearer Note is deposited with the Bearer Notes Paying Agent or (to the satisfaction of the Bearer Notes Paying Agent) is held to its order or under its control or blocked in an account with a relevant clearing system upon terms that the Bearer Note will not cease to be deposited or held or blocked until the first to occur of:

- (a) the conclusion of the meeting specified in the voting certificate or, if later, of any adjourned meeting; and
- (b) the surrender of the voting certificate to the Bearer Notes Paying Agent who issued it.

2.3 Global Notes - voting certificate

A holder of a Bearer Note (not being a Bearer Note in respect of which instructions have been given to the Bearer Notes Paying Agent in accordance with Subclause 2.5) represented by a Global Note may procure the delivery of a voting certificate in respect of that Bearer Note by giving notice to the relevant clearing system specifying by name a person (an **Identified Person**) (which need not be the holder himself) to collect the voting certificate and attend and vote at the meeting. The voting certificate will be made available at or shortly before the start of the meeting by the Bearer Notes Paying Agent against presentation by the Identified Person of the form of identification previously notified by the holder to the relevant clearing system. The relevant clearing system may prescribe forms of identification (including, without limitation, passports) which it considers appropriate for these purposes. Subject to receipt by the Bearer Notes Paying Agent from the relevant clearing system, no later than 48 hours before the time for which the meeting is convened, of notification of the nominal amount of the Bearer Notes to be represented by any voting certificate and the form of identification against presentation of which the voting certificate should be released, the Bearer Notes Paying Agent shall, without any obligation to make further enquiry, make available voting certificates against presentation of forms of identification corresponding to those notified.

2.4 Definitive Bearer Notes - block voting instruction

A holder of a Bearer Note in definitive form may require the Bearer Notes Paying Agent to issue a block voting instruction in respect of that Bearer Note (unless the Bearer Note is the subject of a voting certificate which has been issued and is outstanding in respect of the meeting specified in the block voting instruction or any adjourned meeting) by depositing the Bearer Note with the Bearer Notes Paying Agent or (to the satisfaction of the Bearer Notes Paying Agent) by:

- (a) procuring that, not less than 48 hours before the time fixed for the meeting, the Bearer Note is held to the Bearer Notes Paying Agent's order or under its control or is blocked in an account with a relevant clearing system, in each case on terms that the Bearer Note will not cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in the block voting instruction or, if later, of any adjourned meeting; and
 - (ii) the surrender to the Bearer Notes Paying Agent, not less than 48 hours before the time for which the meeting or any adjourned meeting is convened, of the receipt issued by the Bearer Notes Paying Agent in respect of each deposited Bearer Note which is to be released or (as the case may require) the Bearer Note ceasing with the agreement of the Bearer Notes Paying Agent to be held to its order or under its control or to be blocked and the giving of notice by the Bearer Notes Paying Agent to the Issuer in accordance with Subclause 2.5 of the necessary amendment to the block voting instruction; and
- (b) instructing the Bearer Notes Paying Agent that the vote(s) attributable to each Bearer Note so deposited or held or blocked should be cast in a particular way in relation to the resolution or resolutions to be put to the meeting or any adjourned meeting and that the instruction is, during the period commencing 48 hours before the time for which the meeting or any

adjourned meeting is convened and ending at the conclusion or adjournment of the meeting, neither revocable nor capable of amendment.

2.5 Global Notes - block voting instruction

- (a) A holder of a Bearer Note (not being a Bearer Note in respect of which a voting certificate has been issued) represented by a Global Note may require the Bearer Notes Paying Agent to issue a block voting instruction in respect of the Bearer Note by first instructing the relevant clearing system to procure that the votes attributable to the holder's Bearer Note should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the relevant clearing system then in effect. Subject to receipt by the Bearer Notes Paying Agent, no later than 48 hours before the time for which the meeting is convened, of (i) instructions from the relevant clearing system, (ii) notification of the nominal amount of the Bearer Notes in respect of which instructions have been given and (iii) the manner in which the votes attributable to the Bearer Notes should be cast, the Bearer Notes Paying Agent shall, without any obligation to make further enquiry, attend the meeting and cast votes in accordance with those instructions.
- (b) Each block voting instruction shall be deposited by the relevant Bearer Notes Paying Agent at the place specified by the Bearer Notes Paying Agent for the purpose not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction propose to vote, and in default the block voting instruction shall not be treated as valid unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business. A certified copy of each block voting instruction shall (if so requested by the Issuer) be deposited with the Issuer before the start of the meeting or adjourned meeting but the Issuer shall not as a result be obliged to investigate or be concerned with the validity of or the authority of the proxies named in the block voting instruction.
- (c) Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any of the instructions of the relevant Bearer Noteholder or the relevant clearing system (as the case may be) pursuant to which it was executed provided that no indication in writing of any revocation or amendment has been received from the relevant Bearer Notes Paying Agent by the Issuer at its registered office by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction is to be used.]

[In the case of Registered Notes, the following applies:

[2.2][2.6] Registered Notes - appointment of proxy

- (a) A holder of Registered Notes may, by an instrument in writing in the English language (a **form of proxy**) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar and Transfer Agent not less than 48 hours before the time fixed for the relevant meeting, appoint any person (a proxy) to act on his or its behalf in connection with any meeting.
- (b) Any proxy appointed pursuant to Subclause (a) shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant meeting, to be the holder of the Registered Notes to which such appointment relates and the holders of the Registered Notes shall be deemed for such purposes not to be the holder.
- (c) Each form of proxy shall be deposited by the Registrar and Transfer Agent with the Issuer at its registered office not less than 24 hours before the time appointed for holding the meeting at which the proxy or proxies named in the form of proxy proposes to vote, and in

default form of proxy shall not be treated as valid unless the chairman of the meeting decides otherwise before such meeting proceeds to business. A copy of each form of proxy shall be deposited with the Issuer before the commencement of the meeting but the Issuer shall not thereby be obliged to investigate or be concerned with the validity of or the authority of the proxy or proxies named in any such form of proxy.

- (d) Any vote given in accordance with the terms of a form of proxy shall be valid notwithstanding the previous revocation or amendment of the form of proxy provided that no indication in writing of such revocation or amendment has been received from the holder thereof by the Issuer at its registered office by the time being 48 hours before the time appointed for holding the meeting at which the form of proxy is to be used.]

3 CONVENING OF MEETINGS, QUORUM, ADJOURNED MEETINGS

- 3.1 The Issuer may at any time and, if required in writing by Noteholders holding not less than 51.01 per cent. in nominal amount of the Notes for the time being outstanding, shall convene a meeting of the Noteholders and if the Issuer fails for a period of seven days to convene the meeting the meeting may be convened by the relevant Noteholders. Whenever the Issuer is about to convene any meeting it shall immediately give notice in writing to the [*in the case of Bearer Notes, the following applies: Bearer Notes Paying Agent*] [and][or] [*in the case of Registered Notes, the following applies: Registrar and Transfer Agent*] of the day, time and place of the meeting and of the nature of the business to be transacted at the meeting.
- 3.2 At least 21 clear days' notice specifying the place, day and hour of the meeting shall be given to the Noteholders in the manner provided in the relevant terms and conditions of the Notes. The notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting and shall either (i) include statements as to the manner in which holders may, if applicable, appoint proxies or representatives and [*in the case of Bearer Notes, the following applies: arrange for voting certificates or block voting instructions to be issued*], or (ii) inform Noteholders that details of the voting arrangements are available free of charge from the [*in the case of Bearer Notes, the following applies: Bearer Notes Paying Agent*] [and][or] [*in the case of Registered Notes, the following applies: Registrar and Transfer Agent*], provided that, in the case of (ii) the final form of such details are so available with effect on and from the date on which the notice convening such meeting is given as aforesaid. A copy of the notice shall be sent by post to the Issuer (unless the meeting is convened by the Issuer).
- 3.3 The person (who may but need not be a Noteholder) nominated in writing by the Issuer shall be entitled to take the chair at each meeting but if no nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be chairman failing which the Issuer may appoint a chairman. The chairman of an adjourned meeting need not be the same person as was chairman of the meeting from which the adjournment took place.
- 3.4 At any meeting one or more Eligible Persons present and holding or representing in the aggregate not less than 51 per cent. in nominal amount of the Notes for the time being outstanding shall form a quorum for the transaction of business and no business (other than the choosing of a chairman) shall be transacted at any meeting unless the required quorum is present at the commencement of business.
- 3.5 If within 15 minutes (or such longer period not exceeding 30 minutes as the chairman may decide) after the time appointed for any meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened by Noteholders be dissolved. In any other case it shall be adjourned to the same day in the next week (or if that day is a public holiday the next following business day) at the same time and place.
- 3.6 At any adjourned meeting one or more Eligible Persons present (whatever the nominal amount of the Notes so held or represented by them) shall form a quorum and shall have power to pass any

resolution or any other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the required quorum been present.

4 CONDUCT OF BUSINESS AT MEETINGS

4.1 Every question submitted to a meeting shall be decided by a poll. In the case of an equality of votes for any resolution which does not require any particular quorum, the resolution shall be deemed to be rejected.

4.2 The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.

4.3 Any poll on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.

4.4 Any director or officer of the Issuer and its lawyers and financial advisers may attend and speak at any meeting. Subject to this, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Noteholders or join with others in requiring the convening of a meeting unless he is an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes held by, for the benefit of, or on behalf of the Issuer. Nothing contained in this Subclause 4.4 shall prevent any of the proxies named in any block voting instruction from being a director, officer or representative of or otherwise connected with the Issuer.

4.5 Subject as provided in Subclause 4.4, at any meeting, every Eligible Person present shall have one vote in respect of one Note.

[In the case of Bearer Notes, the following applies:

Without prejudice to the obligations of the proxies named in any block voting instruction,] [A][a]ny person entitled to cast more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

[In the case of Bearer Notes, the following applies:

4.6 The proxies named in any block voting instruction need not be Noteholders.]

[4.6][4.7] A meeting of the Noteholders shall have powers specified in the terms and conditions of the relevant Notes. All powers shall be exercisable by a meeting of the Noteholders by a resolution adopted by a simple majority of the votes cast (subject to the provisions relating to quorum contained in Subclauses 3.4 and 3.6). Notwithstanding any provision to the contrary in this section or the terms and conditions of the Notes, no modification may be made to the terms and conditions of the Notes without the prior written consent of entities acting as account banks in connection with the Notes *[in the case of Bearer Notes, the following applies:* and/or paying agents and securities custodians if such modification would have an effect to lower the rank of such entities in the order of payment of costs set out in the terms and conditions of the Notes].

[4.7][4.8] Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with these provisions shall be binding upon all the Noteholders whether present or not present at the meeting and whether or not voting and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Noteholders shall be published in accordance with the terms and conditions of the Notes by the Issuer within 14 days of the result being known provided that non-publication shall not invalidate the resolution.

[4.8][4.9]

Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the chairman of the meeting at which any resolution was passed or proceedings had shall be conclusive evidence of the matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had at the meeting to have been duly passed or had.

If and whenever the Issuer has issued and has outstanding Notes of more than one Series the previous provisions of this section shall have effect subject to the following changes:

- a resolution which affects the Notes of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that Series;
- a resolution which affects the Notes of more than one Series but does not give rise to a conflict of interest between the holders of Notes of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Notes of all the Series so affected;
- a resolution which affects the Notes of more than one Series and gives or may give rise to a conflict of interest between the holders of the Notes of one Series or group of Series so affected and the holders of the Notes of another Series or group of Series so affected shall be deemed to have been duly passed only if it is duly passed at separate meetings of the holders of the Notes of each Series or group of Series so affected; and
- to all such meetings all the preceding provisions of this section shall *mutatis mutandis* apply as though references therein to Notes, Noteholders and holders were references to the Notes of the Series or group of Series in question or to the holders of such Notes, as the case may be.]

DESCRIPTION OF THE UNDERLYING SECURITIES

This section entitled "*Description of the Underlying Securities*" is an abstract description of the instruments Timberland Investment may issue. The Underlying Securities, i.e. the "Equity Portfolio Limited Recourse Bonds", the "Bonds Portfolio Limited Recourse Bonds", the "Precious Metals Portfolio Limited Recourse Bonds", the "OptiMix Portfolio Limited Recourse Bonds" and the "Top-10 Portfolio Limited Recourse Bonds" are described in more details below.

1. FEATURES OF THE UNDERLYING SECURITIES

Please refer to the below sections entitled the "*Description of the Equity Portfolio Limited Recourse Bonds*", the "*Description of the Bonds Portfolio Limited Recourse Bonds*", the "*Description of the Precious Metals Portfolio Limited Recourse Bonds*", the "*Description of the OptiMix Portfolio Limited Recourse Bonds*" and the "*Description of the Top-10 Portfolio Limited Recourse Bonds*".

None of the Underlying Securities have been approved or recommended by any Luxembourg or foreign authority or securities commission or stock exchange and will not be offered to the public or admitted to trading and listed on any non-regulated or regulated market or on any alternative market.

2. THE ISSUER OF THE UNDERLYING SECURITIES AND ITS CORPORATE STRUCTURE

Timberland Investment, the issuer of the Underlying Securities, is established as an unregulated securitisation undertaking (*société de titrisation*) within the meaning of the Securitisation Act 2004. The articles of association of Timberland Investment (the **Timberland Investment Articles**) in force as of the date of this Base Prospectus have been filed with the Luxembourg trade and companies register and are available for inspection at the Luxembourg trade and companies register during normal business hours. As and when restated versions (*statuts coordonnés*) of the Timberland Investment Articles are produced, such restated versions will be filed with the Luxembourg trade and companies register and will be available for inspection. Each amendment to the Timberland Investment Articles will be published in the official gazette in Luxembourg, the *Mémorial*.

The board of directors of Timberland Investment (the **Board**) may establish one or more compartments (within the meaning of Articles 62 et seq. of the Securitisation Act 2004), each of which is a separate and distinct part of Timberland Investment's estate (*patrimoine*) and which may be distinguished by the nature of acquired risks or assets, the terms and conditions of the obligations incurred in relation to the relevant compartment, their reference currency or other distinguishing characteristics. With respect to the Underlying Securities, the Board has established separate compartments called "Equity Portfolio Compartment", "Bonds Portfolio Compartment", "Precious Metals Portfolio Compartment", "OptiMix Portfolio Compartment" and "Top-10 Portfolio Compartment" (each a **Compartment**). The Board shall establish and maintain separate accounting records for each Compartment in order to ascertain the rights of the holders of the Underlying Securities and of the other Compartment Parties in respect of such Compartment for the purposes of the Timberland Investment Articles, the respective terms and conditions of the Underlying Securities, such accounting records being conclusive evidence of such rights in the absence of proven manifest error.

Each Compartment consists of several different types of assets (the **Compartment Assets**). The Compartment Assets shall include, without limitation, the following rights and assets of Timberland Investment: (i) the proceeds of the issue of the Underlying Securities, to the extent not applied in making payment under the agreements entered into by Timberland Investment in connection with the issue of the Underlying Securities and the acquisition of the Equity Portfolio, the Bonds Portfolio, the Precious Metals Portfolio, the OptiMix Portfolio and the Top-10 Portfolio, respectively (the **Transaction Documents** and each a **Transaction Document**), (ii) the Equity Portfolio, the Bonds Portfolio, the Precious Metals Portfolio, the OptiMix Portfolio and the Top-10 Portfolio, respectively, (as defined below) (iii) the respective Cash Ledger (as defined below), and (iv) the rights, title and interest of Timberland Investment in, to and under each of the Transaction Documents.

3. USE OF PROCEEDS STEMMING FROM THE UNDERLYING SECURITIES

With respect to the Underlying Securities, the net issue proceeds are used as follows:

The net issue proceeds of the Equity Portfolio Limited Recourse Bonds are used partly by Timberland Investment (after certain applicable deductions like the commissions and expenses) to subscribe for or otherwise acquire Fund Shares which become part of the Equity Portfolio (as described in the section entitled "*Description of the Equity Portfolio Limited Recourse Bonds*").

The net issue proceeds of the Bonds Portfolio Limited Recourse Bonds are used partly by Timberland Investment (after certain applicable deductions like the commissions and expenses) to subscribe for or otherwise acquire Eligible Bonds which become part of the Bonds Portfolio (as described in the section entitled "*Description of the Bonds Portfolio Limited Recourse Bonds*").

The net issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds are used partly by Timberland Investment (after certain applicable deductions like the commissions and expenses) to purchase Eligible Precious Metals which become part of the Precious Metals Portfolio (as described in the section entitled "*Description of the Precious Metals Portfolio Limited Recourse Bonds*").

The net issue proceeds of the OptiMix Portfolio Limited Recourse Bonds are used partly by Timberland Investment (after certain applicable deductions like the commissions and expenses) to subscribe for or otherwise acquire Eligible Fund Shares which become part of the OptiMix Portfolio (as described in the section entitled "*Description of the OptiMix Portfolio Limited Recourse Bonds*").

The net issue proceeds of the Top-10 Portfolio Limited Recourse Bonds are used partly by Timberland Investment (after certain applicable deductions like the commissions and expenses) to subscribe for or otherwise acquire Eligible Fund Shares which become part of the Top-10 Portfolio (as described in the section entitled "*Description of the Top-10 Portfolio Limited Recourse Bonds*").

DESCRIPTION OF THE EQUITY PORTFOLIO LIMITED RECOURSE BONDS

Timberland Investment acting in respect of its Equity Portfolio Compartment (as defined below) may issue one or more series of 2018 and future Equity Portfolio Limited Recourse Bonds (the **Equity Portfolio Limited Recourse Bonds**) on an ongoing basis subject to investor demand. The Equity Portfolio Limited Recourse Bonds have not been approved or recommended by any Luxembourg or foreign authority or securities commission. The Equity Portfolio Limited Recourse Bonds will not be offered to the public or admitted to trading and listed on any regulated market or on any alternative market. The Equity Portfolio Limited Recourse Bonds will be integrally subscribed by the Issuer.

1. EQUITY PORTFOLIO COMPARTMENT

A separate compartment (within the meaning given to such term in Articles 62 et seq. of the Securitisation Act 2004) called "the Equity Portfolio Compartment" was created by the Board on 10 July 2015 (the **Equity Portfolio Compartment**). The Equity Portfolio Compartment constitutes a separate part of Timberland Investment's assets and liabilities. The assets allocated to the Equity Portfolio Compartment are in principle exclusively available to satisfy the rights of holders of the Equity Portfolio Limited Recourse Bonds, the rights of the holders of any other series of bonds issued by Timberland Investment under the Equity Portfolio Compartment and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Equity Portfolio Compartment, as contemplated by the Timberland Investment Articles. The Equity Portfolio Compartment (comprising the Equity Portfolio (as defined below)) is governed by Luxembourg law.

2. FORM AND DENOMINATION

Equity Portfolio Limited Recourse Bonds are issued in registered form only and have a nominal value of EUR 0.01 (one cent) each. Equity Portfolio Limited Recourse Bond may be issued in any integral multiple of such nominal value.

3. TRANSFER AND TITLE

- (a) Title to Equity Portfolio Limited Recourse Bonds passes only by registration in the register of holders of Equity Portfolio Limited Recourse Bonds kept by Timberland Investment at its registered office. Ownership in respect of the Equity Portfolio Limited Recourse Bonds is established by the registration in such register.
- (b) The holding of Equity Portfolio Limited Recourse Bonds may be transferred in whole but not in part in order that there shall at all times be only one holder of all outstanding Equity Portfolio Limited Recourse Bonds.

4. NO MATURITY

The Equity Portfolio Limited Recourse Bonds do not have a stated maturity date.

5. STATUS AND RANKING

Equity Portfolio Limited Recourse Bonds constitute direct, unsecured limited recourse obligations of Timberland Investment and rank pari passu and rateably, without any preference among themselves, with all other existing direct unsecured limited recourse pass through indebtedness of Timberland Investment, which has been or will be allocated to the Equity Portfolio Compartment but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

6. INTEREST / COUPON

No interest or coupon is payable in respect of Equity Portfolio Limited Recourse Bonds.

7. REDEMPTION RIGHTS

- (a) Equity Portfolio Limited Recourse Bonds are redeemable at the Redemption Amount. The **Redemption Amount**
- (i) will depend on the value of such portion of assets allocated to the Equity Portfolio Compartment (the **Equity Portfolio Compartment Assets**, which are composed of the respective Compartment Assets (as defined above)) as corresponds to the number of the outstanding Equity Portfolio Limited Recourse Bonds to be redeemed; and
 - (ii) will be equal to the sum of (A) the relevant portion of the Equity Portfolio Compartment Assets already held in the form of cash and (B) the amount received by Timberland Investment in connection with the redemption, disposal or enforcement (as applicable) of the relevant portion of the non-cash Equity Portfolio Compartment Assets minus any unpaid costs.
- (b) Unless previously purchased and cancelled, the Equity Portfolio Limited Recourse Bonds will be redeemed at the Redemption Amount by Timberland Investment. In limited circumstances, such as when the obligations of Timberland Investment arising under, or in connection with, the Equity Portfolio Limited Recourse Bonds become, in the opinion and at the discretion of Timberland Investment, unreasonably burdensome, Timberland Investment may redeem (in whole but not in part) the Equity Portfolio Limited Recourse Bonds.
- (c) Without prejudice to its right of redemption in connection with an event of default (as provided for in the terms and conditions of Equity Portfolio Limited Recourse Bonds), the holder of Equity Portfolio Limited Recourse Bonds may request the redemption of all or part of the bonds held by it any time.

8. COSTS

From the issue proceeds of the Equity Portfolio Limited Recourse Bonds an amount will be set aside and recorded by Timberland Investment in a separate ledger (the **Cash Ledger**) to be used for the payment of (i) costs and expenses incurred by Timberland Investment in connection with, and relating to, the Equity Portfolio Limited Recourse Bonds and the Equity Portfolio Compartment and (ii) the relevant proportion of general costs of Timberland Investment allocated to the Equity Portfolio Compartment in accordance with the Timberland Investment Articles and (iii) any costs and expenses incurred, paid and/or agreed on by the Equity Portfolio Limited Recourse Bonds and/or the Equity Portfolio Compartment whereby (i-iii) relates to any costs and expenses (such as but not limited to advertising) which are or will be incurred, paid and/or agreed on by/with Timberland Securities SPC and its relevant portfolio(s) and/or the Arranger and/or the Distribution Agent(s), due to the Equity Portfolio Limited Recourse Bonds' interest and the Equity Portfolio Compartment's interest in the distribution of Notes of Timberland Securities SPC and its relevant portfolio(s) to increase proceeds from the issue of its Equity Portfolio Limited Recourse Bonds. Timberland Investment may determine the amount of the Cash Ledger at its sole discretion.

Costs and expenses incurred by Timberland Investment in connection with the Equity Portfolio Compartment include especially, but not limited to, the Advisory Fee, the Arranging Fee of the 2018 Equity Portfolio Limited Recourse Bonds and the Arranging Fee(s) of further future issued Equity Portfolio Limited Recourse Bonds (together the **Arranging Fees**) and the Arranger Prefunded Amounts (as defined below).

Advisory Fee means the amount calculated by the Calculation Agent at the end of each calendar month using the fair value principle and payable by Timberland Investment to the Investment

Advisor (Timberland Fund Management Ltd. or any other applicable Investment Advisor or any successor or replacement thereto) in respect of the Equity Portfolio Compartment, which shall be equal to the sum of

(A) the higher of:

the sum of

- (i) 0.07916 per cent. per month of the tranche of the Adjusted Net Asset Value (as defined below) below EUR 25,000,000; and
- (ii) 0.07083 per cent. per month of the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000; and
- (iii) 0.0625 per cent. per month of the tranche of the Adjusted Net Asset Value above EUR 50,000,000

or

the amount of EUR 2,500 per month during the year 2018 or EUR 4,000 per month during the year 2019 and all subsequent years;

and

(B) the sum of:

- (i) for the tranche of the Adjusted Net Asset Value below EUR 25,000,000, a performance-based amount equal to 12.5 per cent. of the Net Increase of the NAV (as defined below); and
- (ii) for the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000, a performance-based amount equal to 10 per cent. of the Net Increase of the NAV; and
- (iii) for the tranche of the Adjusted Net Asset Value above EUR 50,000,000 a performance-based amount equal to 7.5 per cent. of the Net Increase of the NAV

increased for (A) and (B) by the amount of VAT (as far as VAT is payable in respect of such performance-based amount in Luxembourg or elsewhere), where:

Adjusted Net Asset Value means the net value of the Equity Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP (LUX GAAP) (especially but not limited to historical costs less durable impairments) or International Financial Reporting Standards (IFRS) as the accounting principles applicable to Timberland Investment and its compartments) and reduced by, if applicable, the net value of the assets invested in Timberland Funds SPC and Timberland Funds II SPC and its relevant Segregated Portfolio(s).

Arranging Fee means (especially but not limited to any series of R2- and R6-Equity Portfolio Limited Recourse Bonds, and any series of B2-Equity Portfolio Limited Recourse Bonds and any future series of Equity Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series) an amount calculated by the Calculation Agent and payable by Timberland Investment to Timberland Securities Investment plc in respect of the Equity Portfolio Compartment, which shall be equal to the amount of up to EUR 1,950,000 per series of Notes issued by the Equity Portfolio Compartment increased by the amount of VAT (as far as VAT is payable in respect of such amount in Luxembourg or elsewhere). The emergence of the claim of a partial amount in regard to the Arranging Fee is bound to, arises and falls due according to the ongoing issued and distributed relevant Equity Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and

are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranging Fees to EUR 0.00.

Arranger Prefunded Amounts means all amounts, fees and costs relating to, among other things, the structure set-up, the creation, operation or liquidation of the Equity Portfolio Compartment and the issue or the redemption of the Equity Portfolio Limited Recourse Bonds that have been prefunded by the (sub-) Arranger and related parties (in case such prefunded Amounts have been assigned to the (sub-) Arranger) from time to time and have to be repaid by Timberland Investment to the (sub-) Arranger(s). The emergence of the claim of a partial amount in regard to the Arranger Prefunded Amounts is bound to, arises and falls due according to the ongoing issued and distributed relevant Equity Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranger Prefunded Amounts to EUR 0.00.

Net Asset Value means the net value of the Equity Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of LUX GAAP, especially but not limited to historical costs less durable impairments, or IFRS as the accounting principles applicable to Timberland Investment and its compartments). The Calculation Agent can hereby at its sole discretion independently from the accounting under LUX GAAP or IFRS as the accounting principles applicable to Timberland Investment and its compartments (or its successor) in regard to the calculation of the Net Asset Value of the Equity Portfolio Limited Recourse Bonds and for the determination of the issuing price and/or the redemption price of any series of Equity Portfolio Limited Recourse Bonds (especially but not limited to any series of R2- and R6-Equity Portfolio Limited Recourse Bonds, and any series of B2 Equity Portfolio Limited Recourse Bonds and any future series of Equity Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series), calculate such amounts, fees and costs to be amortised for the purpose of the calculation of the issuing and/or redemption price of the relevant series of Equity Portfolio Limited Recourse Bonds by the amount of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) less accumulated depreciation for a period of up to seven (7) years plus the remaining days of the current calendar year, where the depreciation is in accordance with the useful economical life of such amounts, fees and costs (including as applicable Arranger Fees and Arranger Prefunded Amounts) of up to seven (7) years plus the remaining days of the current calendar year and accordingly its linear amortization rate. The calculation may be independently of (i) the related origination of these costs and (ii) when they are due for payments and (iii) of the cash-flow in regard to any such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts).

Net Increase of the NAV means the positive difference between (i) the Adjusted Net Asset Value at the end of a given calendar month (the **Relevant Month**) of the Equity Portfolio Compartment compared at the end of the Relevant Month to (ii) the Adjusted Net Asset Value at the end of the immediately preceding calendar month of the Equity Portfolio Compartment, adjusted by (a) the Cash Inflows at the end of the Relevant Months and (b) the Cash Outflows at the end of the Relevant Month, where:

- (a) **Cash Inflows** means the aggregate amount received by Timberland Investment from the Issuer in the Relevant Month as consideration for the Equity Portfolio Limited Recourse Bonds; and
- (b) **Cash Outflows** means the aggregate amount paid by Timberland Investment to the Issuer in the Relevant Month in order to redeem (if applicable) the Equity Portfolio Limited Recourse Bonds.

If no amount under (B) is due during one business year (which may change from time to time), the basis for the subsequent determination of the Net Increase of the NAV will be the last Adjusted Net Asset Value of the ended fiscal year.

The amount under (B) is due at the end of each Relevant Month.

9. FURTHER ISSUES

Timberland Investment may from time to time, without the consent of the holder of Equity Portfolio Limited Recourse Bonds, create and issue under the Equity Portfolio Compartment further bonds (i) having the same terms and conditions in all respects as the outstanding Equity Portfolio Limited Recourse Bonds except for the issue date, so that such further issue shall be consolidated and form a single series with the outstanding Equity Portfolio Limited Recourse Bonds or (ii) upon such terms and conditions as Timberland Investment may determine at the time of their issue. Timberland Investment may, without the consent of the holder of Equity Portfolio Limited Recourse Bonds, issue all types of securities under other compartments set up by it.

10. GOVERNING LAW

Equity Portfolio Limited Recourse Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

11. USE OF PROCEEDS

Timberland Investment invests parts of the net issue proceeds (less certain applicable deductions) of the Equity Portfolio Limited Recourse Bonds into a selection of different series of Fund Shares. For the avoidance of doubt, the Equity Portfolio Compartment can hold any amount of cash and adjust the selection and composition (including but not limited to the percentage holding) of the different series of Fund shares as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion. All Fund Shares subscribed for or otherwise acquired by Timberland Investment acting in respect of the Equity Portfolio Compartment form part of a separate investment portfolio of Timberland Investment (the **Equity Portfolio**) and are allocated to the Equity Portfolio Compartment. The current composition of the Equity Portfolio is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration, on the website.

Descriptions of each of the thirty-one (31) series of Fund Shares eligible for investment by Timberland Investment under the Equity Portfolio Compartment are set out in section entitled "*Description of the Fund Shares*".

At any given time, Timberland Investment is entitled to invest in up to thirty-one (31) or less preselected series of Fund Shares out of the thirty-one (31) eligible series of Fund Shares. A list of such preselected series of Fund Shares is updated from time to time, especially but not limited to, every four (4) to six (6) weeks and can be viewed, together with the expected date of the upcoming update, on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto). Such information is available free of charge, subject to prior registration, on the website.

One or more series of Fund Shares included in the Equity Portfolio may occasionally be removed from the Equity Portfolio and replaced by one or more different series of eligible Fund Shares if its characteristics no longer correspond to the investment profile of the Equity Portfolio.

DESCRIPTION OF THE BONDS PORTFOLIO LIMITED RECOURSE BONDS

Timberland Investment acting in respect of its Bonds Portfolio Compartment (as defined below) may issue one or more series of 2018 and future Bonds Portfolio Limited Recourse Bonds (the **Bonds Portfolio Limited Recourse Bonds**) on an ongoing basis subject to investor demand. The Bonds Portfolio Limited Recourse Bonds have not been approved or recommended by any Luxembourg or foreign authority or securities commission. The Bonds Portfolio Limited Recourse Bonds will not be offered to the public or admitted to trading and listed on any regulated market or on any alternative market. The Bonds Portfolio Limited Recourse Bonds will be integrally subscribed by the Issuer.

1. BONDS PORTFOLIO COMPARTMENT

A separate compartment (within the meaning given to such term in Articles 62 et seq. of the Securitisation Act 2004) called "the Bonds Portfolio Compartment" was created by the Board on 10 July 2015 (the **Bonds Portfolio Compartment**). The Bonds Portfolio Compartment constitutes a separate part of Timberland Investment's assets and liabilities. The assets allocated to the Bonds Portfolio Compartment are in principle exclusively available to satisfy the rights of holders of the Bonds Portfolio Limited Recourse Bonds, the rights of the holders of any other series of bonds issued by Timberland Investment under the Bonds Portfolio Compartment and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Bonds Portfolio Compartment, as contemplated by the Timberland Investment Articles. The Bonds Portfolio Compartment (comprising the Bonds Portfolio (as defined below)) is governed by Luxembourg law.

2. FORM AND DENOMINATION

Bonds Portfolio Limited Recourse Bonds are issued in registered form only and have a nominal value of EUR 0.01 (one cent) each. Bonds Portfolio Limited Recourse Bond may be issued in any integral multiple of such nominal value.

3. TRANSFER AND TITLE

- (a) Title to Bonds Portfolio Limited Recourse Bonds passes only by registration in the register of holders of Bonds Portfolio Limited Recourse Bonds kept by Timberland Investment at its registered office. Ownership in respect of the Bonds Portfolio Limited Recourse Bonds is established by the registration in such register.
- (b) The holding of Bonds Portfolio Limited Recourse Bonds may be transferred in whole but not in part in order that there shall at all times be only one holder of all outstanding Bonds Portfolio Limited Recourse Bonds.

4. NO MATURITY

The Bonds Portfolio Limited Recourse Bonds do not have a stated maturity date.

5. STATUS AND RANKING

Bonds Portfolio Limited Recourse Bonds constitute direct, unsecured limited recourse obligations of Timberland Investment and rank pari passu and rateably, without any preference among themselves, with all other existing direct unsecured limited recourse pass through indebtedness of Timberland Investment, which has been or will be allocated to the Bonds Portfolio Compartment but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

6 INTEREST / COUPON

No interest or coupon is payable in respect of Bonds Portfolio Limited Recourse Bonds.

7. REDEMPTION RIGHTS

- (a) Bonds Portfolio Limited Recourse Bonds are redeemable at the Redemption Amount. The **Redemption Amount**
- (i) will depend on the value of such portion of assets allocated to the Bonds Portfolio Compartment (the **Bonds Portfolio Compartment Assets**, which are composed of the respective Compartment Assets (as defined above)) as corresponds to the number of the outstanding Bonds Portfolio Limited Recourse Bonds to be redeemed; and
 - (ii) will be equal to the sum of (A) the relevant portion of the Bonds Portfolio Compartment Assets already held in the form of cash and (B) the amount received by Timberland Investment in connection with the redemption, disposal or enforcement (as applicable) of the relevant portion of the non-cash Bonds Portfolio Compartment Assets minus any unpaid costs.
- (b) Unless previously purchased and cancelled, the Bonds Portfolio Limited Recourse Bonds will be redeemed at the Redemption Amount by Timberland Investment. In limited circumstances, such as when the obligations of Timberland Investment arising under, or in connection with, the Bonds Portfolio Limited Recourse Bonds become, in the opinion and at the discretion of Timberland Investment, unreasonably burdensome, Timberland Investment may redeem (in whole but not in part) the Bonds Portfolio Limited Recourse Bonds.
- (c) Without prejudice to its right of redemption in connection with an event of default (as provided for in the terms and conditions of Bonds Portfolio Limited Recourse Bonds), the holder of Bonds Portfolio Limited Recourse Bonds may request the redemption of all or part of the bonds held by it any time.

8. COSTS

From the issue proceeds of the Bonds Portfolio Limited Recourse Bonds an amount will be set aside and recorded by Timberland Investment in a separate ledger (the **Cash Ledger**) to be used for the payment of (i) costs and expenses incurred by Timberland Investment in connection with, and relating to, the Bonds Portfolio Limited Recourse Bonds and the Bonds Portfolio Compartment or (ii) the relevant proportion of general costs of Timberland Investment allocated to the Bonds Portfolio Compartment in accordance with the Timberland Investment Articles and (iii) any costs and expenses incurred, paid and/or agreed on by the Bonds Portfolio Limited Recourse Bonds and/or the Bonds Portfolio Compartment whereby (i-iii) relates to any costs and expenses (such as but not limited to advertising) which are or will be incurred, paid and/or agreed on by/with Timberland Securities SPC and its relevant portfolio(s) and/or the Arranger and/or the Distribution Agent(s), due to the Bonds Portfolio Limited Recourse Bonds its interest and the Bonds Portfolio Compartment's interest in the distribution of Notes of Timberland Securities SPC and its relevant portfolio(s) to increase proceeds from the issue of its Bonds Portfolio Limited Recourse Bonds. Timberland Investment may determine the amount of the Cash Ledger at its sole discretion.

Costs and expenses incurred by Timberland Investment in connection with the Bonds Portfolio Compartment include especially, but not limited to, the Advisory Fee, the Arranging Fee of the 2018 Bonds Portfolio Limited Recourse Bonds and the Arranging Fee(s) of further future issued Bonds Portfolio Limited Recourse Bonds (together the **Arranging Fees**) and the Arranger Prefunded Amounts (as defined below).

Advisory Fee means the amount calculated by the Calculation Agent at the end of each calendar month using the fair value principle and payable by Timberland Investment to the Investment Advisor (Timberland Fund Management Ltd. or any other applicable Investment Advisor or any successor or replacement thereto) in respect of the Bonds Portfolio Compartment, which shall be equal to the sum of

(A) the higher of:

the sum of

- (i) 0.07916 per cent. per month of the tranche of the Adjusted Net Asset Value (as defined below) below EUR 25,000,000; and
- (ii) 0.07083 per cent. per month of the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000; and
- (iii) 0.0625 per cent. per month of the tranche of the Adjusted Net Asset Value above EUR 50,000,000

or

the amount of EUR 2,500 per month during the year 2018 or EUR 4,000 per month during the year 2019 and all subsequent years;

and

(B) the sum of:

- (i) for the tranche of the Adjusted Net Asset Value below EUR 25,000,000, a performance-based amount equal to 12.5 per cent. of the Net Increase of the NAV (as defined below); and
- (ii) for the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000, a performance-based amount equal to 10 per cent. of the Net Increase of the NAV; and
- (iii) for the tranche of the Adjusted Net Asset Value above EUR 50,000,000 a performance-based amount equal to 7.5 per cent. of the Net Increase of the NAV

increased for (A) and (B) by the amount of VAT (as far as VAT is payable in respect of such performance-based amount in Luxembourg or elsewhere), where:

Adjusted Net Asset Value means the Net Asset Value of the Bonds Portfolio Compartment calculated by the Calculation Agent and reduced by, if applicable, the net value of the assets invested in Timberland Funds II SPC and its relevant Segregated Portfolio(s) and if applicable any Bond Fund Shares of one or more Fund(s) managed by Timberland Investment GmbH as AIFM.

Arranging Fee means (especially but not limited to any series of R2- and R6-Bonds Portfolio Limited Recourse Bonds, and any series of B2-Bonds Portfolio Limited Recourse Bonds and any future series of Bonds Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series) an amount calculated by the Calculation Agent and payable by Timberland Investment to Timberland Securities Investment plc in respect of the Bonds Portfolio Compartment, which shall be equal to the amount of up to EUR 1,950,000 per series of Notes issued by the Bonds Portfolio Compartment increased by the amount of VAT (as far as VAT is payable in respect of such amount in Luxembourg or elsewhere). The emergence of the claim of a partial amount in regard to the Arranging Fee is bound to, arises and falls due according to the ongoing issued and distributed relevant Bonds Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and

are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranging Fees to EUR 0.00.

Arranger Prefunded Amounts means all amounts, fees and costs relating to, among other things, the structure set-up, the creation, operation or liquidation of the Bonds Portfolio Compartment and the issue or the redemption of the Bonds Portfolio Limited Recourse Bonds that have been prefunded by the (sub-) Arranger and related parties (in case such prefunded Amounts have been assigned to the (sub-) Arranger) from time to time and have to be repaid by Timberland Investment to the (sub-) Arranger. The emergence of the claim of a partial amount in regard to the Arranger Prefunded Amounts is bound to, arises and falls due according to the ongoing issued and distributed relevant Bonds Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranger Prefunded Amounts to EUR 0.00.

Net Asset Value means the net value of the Bonds Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP (LUX GAAP), especially but not limited to historical costs less durable impairments, or International Financial Reporting Standards (IFRS) as the accounting principles applicable to Timberland Investment and its compartments). The Calculation Agent can hereby at its sole discretion independently from the accounting under LUX GAAP or IFRS as the accounting principles applicable to Timberland Investment and its compartments (or its successor) in regard to the calculation of the Net Asset Value of the Bonds Portfolio Limited Recourse Bonds and for the determination of the issuing price and/or the redemption price of any series of Bonds Portfolio Limited Recourse Bonds (especially but not limited to any series of R2- and R6-Bonds Portfolio Limited Recourse Bonds, and any series of B2 Bonds Portfolio Limited Recourse Bonds and any future series of Bonds Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series), calculate such amounts, fees and costs to be amortised for the purpose of the calculation of the issuing and/or redemption price of the relevant series of Bonds Portfolio Limited Recourse Bonds by the amount of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) less accumulated depreciation for a period of up to seven (7) years plus the remaining days of the current calendar year, where the depreciation is in accordance with the useful economical life of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) of up to seven (7) years plus the remaining days of the current calendar year and accordingly its linear amortization rate. The calculation may be independently of (i) the related origination of these costs and (ii) when they are due for payments and (iii) of the cash-flow in regard to any such amounts, fees and costs.

Net Increase of the NAV means the positive difference between (i) the Adjusted Net Asset Value at the end of a given calendar month (the **Relevant Month**) of the Bonds Portfolio Compartment compared at the end of the Relevant Month to (ii) the Adjusted Net Asset Value at the end of the immediately preceding calendar month of the Bonds Portfolio Compartment, adjusted by (a) the Cash Inflows at the end of the Relevant Months and (b) the Cash Outflows at the end of the Relevant Month, where:

- (a) **Cash Inflows** means the aggregate amount received by Timberland Investment from the Issuer in the Relevant Month as consideration for the Bonds Portfolio Limited Recourse Bonds; and
- (b) **Cash Outflows** means the aggregate amount paid by Timberland Investment to the Issuer in the Relevant Month in order to redeem (if applicable) the Bonds Portfolio Limited Recourse Bonds.

If no amount under (B) is due during one business year (which may change from time to time), the basis for the subsequent determination of the Net Increase of the NAV will be the last Adjusted Net Asset Value of the ended fiscal year.

The amount under (B) is due at the end of each Relevant Month.

9. FURTHER ISSUES

Timberland Investment may from time to time, without the consent of the holder of Bonds Portfolio Limited Recourse Bonds, create and issue under the Bonds Portfolio Compartment further bonds (i) having the same terms and conditions in all respects as the outstanding Bonds Portfolio Limited Recourse Bonds except for the issue date, so that such further issue shall be consolidated and form a single series with the outstanding Bonds Portfolio Limited Recourse Bonds or (ii) upon such terms and conditions as Timberland Investment may determine at the time of their issue. Timberland Investment may, without the consent of the holder of Bonds Portfolio Limited Recourse Bonds, issue all types of securities under other compartments set up by it.

10. GOVERNING LAW

Bonds Portfolio Limited Recourse Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

11. USE OF PROCEEDS

Timberland Investment invests parts of the net issue proceeds (less certain applicable deductions) of the Bonds Portfolio Limited Recourse Bonds into a selection of the following types of bonds and instruments (especially Bond Fund Shares (as defined below)): (i) German Covered Bonds (as defined below), (ii) Luxembourg Covered Bonds (as defined below), (iii) bonds issued by companies whose shares are included in the composition of any of following indices (each, an **Eligible Index**): DAX (*Deutscher Aktien Index*), CAC 40 (*Cotation Assistée en Continu*), FTSE 100 Index (*Financial Times Stock Exchange 100*), DJIA (*Dow Jones Industrial Average*), S&P/TSX (*S&P/TSX Composite Index*), AEX (*Amsterdam Exchange Index*) and EURO STOXX 50 (*EURO STOXX 50*) (iv) in other (contingent convertible) bonds and (v) Bond Fund Shares (collectively, the **Eligible Bonds**). For the avoidance of doubt the Bonds Portfolio Compartment can hold any amount of cash and adjust the selection and composition (including but not limited to the percentage holding) of the different series of Eligible Bonds as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion.

All Eligible Bonds subscribed for or otherwise acquired by Timberland Investment acting in respect of the Bonds Portfolio Compartment form part of a separate investment portfolio of Timberland Investment (the **Bonds Portfolio**) and are allocated to the Bonds Portfolio Compartment. The current composition of the Bonds Portfolio is published on the website of the Issuer (www.timberlandsecurities.com) or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration, on the website.

If an issuer of a series of bonds already included in the Bonds Portfolio was included in an Eligible Index and is no longer represented on any of the Eligible Indices, Timberland Investment may, but is not required to, remove such series of bonds from the Bonds Portfolio. However, no additional bonds of the relevant issuer will be subscribed for or otherwise acquired by Timberland Investment using the net issue proceeds of the Bonds Portfolio Limited Recourse Bonds unless and until the relevant issuer is again represented on any of the Eligible Indices.

(1) Covered Bonds

(a) German covered bonds (*Pfandbriefe*)

German covered bonds (*Pfandbriefe*) (the **German Covered Bonds**) are subject to, and governed by, the *Pfandbrief Act (Pfandbriefgesetz)* dated 22 May 2005, as amended (the **Pfandbrief Act**) and certain regulations under the Pfandbrief Act, such as the Net Present Value Regulation (*Pfandbrief-Barwertverordnung*) dated 14 July 2005, as amended, the Cover Register Regulation (*Deckungsregisterverordnung*) dated 25 August 2006, as amended and the Mortgage Lending Value Regulation (*Beleihungswertermittlungsverordnung*) dated 12 May 2006, as amended. German Covered

Bonds may only be issued by German credit institutions having obtained a special license from the Federal Financial Supervisory Authority (*BaFin – Bundesanstalt für Finanzdienstleistungsaufsicht*). Such license may be requested by any German credit institution, but can be restricted to the issue of only certain types of German Covered Bonds. In order to achieve the high standards of investor security, German credit institutions must fulfil special requirements to obtain the license. A bank issuing German Covered Bonds is also subject to a special form of supervision by the BaFin, which goes beyond the supervision measures applicable to ordinary credit institutions.

A German Covered Bond bank may issue up to four different types of covered bonds: mortgage covered bonds, public covered bonds, ship covered bonds and/or aircraft covered bonds. Before issuing any of these securities, a German Covered Bond bank will grant loans for the financing of property, ships, aircrafts or public-sector projects. Those loans (or parts thereof), together with the relevant collateral for each of them, will be entered into the cover register which will then constitute the cover pool for each type of German Covered Bonds issued by the credit institution. The issuer of the covered bonds will need to hold a separate register for each type of loans.

The Pfandbrief Act provides guidance in respect of the quality of the cover assets that can be used for the German Covered Bonds. As regards mortgage cover bonds, land charges, commercial and residential mortgages in Germany and abroad can be used as cover assets. The Pfandbrief Act provides for a list of countries where these mortgages can be located. Monetary claims against different types of public sector entities (such as the EEA Member States, Switzerland, Japan, Canada and United States, their sub-sovereign bodies, certain public sector authorities, the European Central Bank etc.) are eligible as cover assets for public covered bonds. Certain claims against these entities need to comply with quality requirements in order to become eligible under the Pfandbrief Act. Ship and aircraft mortgages need to be recorded in public registers in order to be used in connection with German Covered Bonds. The Pfandbrief Act and the relevant regulations set certain standards with respect to the valuation of the ships and aircrafts and the usage of these loans as cover for the issue of bonds. In addition to these cover assets, the issuer of covered bonds may add under certain conditions claims against credit institutions and/or claims issued from derivatives to each type of German Covered Bonds in order to improve the liquidity of the relevant cover pool. The covered bond bank is also allowed in certain circumstances to hold the assets via a suitable third party credit institution as trustee if the covered bond bank has a claim for transfer of the assets and the mortgages are segregated on the trustee's insolvency.

In addition to the specific license and supervision requirements mentioned above, German Covered Bonds constitute a particularly safe investment because of the special insolvency regime applicable to issuers of covered bonds. In case of insolvency, each cover pool relating to a type of covered bonds is ring-fenced from the remaining assets of the bank. The insolvency receiver of the bank will therefore not have access to the assets held in such cover pool. A specially appointed cover pool administrator will have the power to manage the cover pools and represent the interests of the creditors under the German Covered Bonds. These creditors will have a privileged access to the assets held in the different cover pools. At any time the net present value and the nominal value of the German Covered Bonds outstanding needs to be covered by assets held in the respective cover pools. A covered bond bank will also have to appoint a special cover pool trustee that will monitor the cover of the German Covered Bonds issued. Certain risk management and stress testing procedures need to be applied to the cover pools in order to ensure that the covered bond bank is able to deal with certain risks. In this respect the Pfandbrief Act also provides for a mandatory overcollateralization to cover certain costs and expenses incurred by the covered bond bank. Such excess cover must be available in the form of particularly liquid cover assets.

(b) Luxembourg covered bonds

Luxembourg covered bonds (*lettres de gage*) (the **Luxembourg Covered Bonds**) are subject to, and governed by, a distinct legal regime set out in Articles 12-1 to 12-12 of the

Luxembourg act dated 5 April 1993 concerning the financial sector (the **Banking Act 1993**). The Banking Act 1993 reserves to covered bond banks (*banques d'émission de lettres de gage*) only the right to issue Luxembourg Covered Bonds and provides that a covered bond bank licence (*agrément*) may only be granted to legal persons incorporated under the laws of Luxembourg. In contrast to Luxembourg "universal banks" (*banques universelles*), which are authorised to perform the activities of a full-service bank, covered bond banks must limit their principal activities to the granting of loans which must be secured and refinanced exclusively by way of issuing Luxembourg Covered Bonds.

Four different types of Luxembourg Covered Bonds may be issued by Luxembourg covered bond banks, namely (i) mortgage covered bonds (*lettres de gage hypothécaires*) that are issued in respect of real estate covered mortgage lending, (ii) public-sector covered bonds (*lettres de gage publiques*) that are issued in respect of lending to public sector entities, (iii) movable property covered bonds (*lettres de gage mobilières*) that are issued in respect of loans granted by the covered bond bank and which are secured by certain rights *in rem* over movable property and (iv) co-operative covered bonds (*lettres de gage mutuelles*) that are issued in respect of lending to co-operative banks.

Eligible assets that may be used by covered bond banks as coverage assets (the **Coverage Assets**) for the Luxembourg Covered Bonds must fulfil certain conditions and, depending on the type of the Luxembourg Covered Bonds, comprise, among other things (i) claims resulting from loans to public sector entities or loans secured by a guarantee issued by a public sector entity, by a debt security issued by a public sector entity or by a debt security issued by a bank, (ii) debt securities issued by credit institutions and benefitting from public sector guarantee, real estate security/rights or movable property security/rights, (iii) debt securities issued, or guaranteed by, as well as loans granted to, or commitments in any other form against, co-operative banks which participate in an institutional protection scheme, (iv) real estate rights (*droits réels immobiliers*) or real estate collateral (*sûretés réelles immobilières*), (v) movable property rights (*droits réels mobiliers*) or movable property collateral (*sûretés réelles mobilières*), (vi) bonds and other similar debt instruments which are secured by real estate rights or real estate collateral and (vii) securitised debt securities benefitting from claims or guarantees qualifying as the Coverage Assets for mortgage covered bonds, as well as bonds and other debt securities issued by a securitisation undertaking.

There are several reasons why the Luxembourg Covered Bonds can be considered as a particularly safe investment compared to instruments issued by other types of issuers. First, each Coverage Asset must be individually recorded in a special collateral register (*registre de gages*) held by the relevant Luxembourg covered bond bank and supervised by a special statutory auditor (*réviseur d'entreprises agréé special*). The special statutory auditor "supervises" the Coverage Assets, ensuring that they have been duly constituted, are recorded in the appropriate part of the collateral register and their value does not fall below the thresholds established under the Banking Act 1993. In addition, the holders of the Luxembourg Covered Bonds benefit (as from the date of recording of the Coverage Assets into the collateral register) from a preferential right (*droit de préférence*) over the Coverage Assets, which ranks senior to any other rights, privileges or priorities. It is, among other things, the isolation of the Coverage Assets in the collateral register and the ensuing preferential claims of the holders of the Luxembourg Covered Bonds that protect these holders' rights even in the event of an insolvency of Luxembourg covered bond banks. Second, Luxembourg covered bond banks are subject to a specific insolvency regime designed to preserve the rights of holders of the Luxembourg Covered Bonds. That regime provides that the opening of suspension of payment (*sursis de paiement*) or liquidation (*liquidation*) proceedings in respect of a covered bond bank will, by force of law, entail the separation of the estate of such bank into, on the one hand, the assets and liabilities of the covered bond bank relating to its ancillary activity (*activité accessoire*) and on the other hand, a separate and distinct "estate compartment" (*compartiment patrimonial*) formed by each type/category of the Luxembourg Covered Bonds forming (together with the respective

Coverage Assets and reserves posted with the central bank). As a result of this segregation, the Coverage Assets may not be attached or seized by creditors of the covered bond bank other than the holders of the Luxembourg Covered Bonds. Thirdly, the Luxembourg Covered Bonds afford additional protection to their holders due to the requirement of a minimum over-collateralisation in respect of the Luxembourg Covered Bonds in circulation. Consequently, the nominal amount of the Coverage Assets has to represent, at any time, at least 102 per cent. of the nominal amount of the Luxembourg Covered Bonds in circulation and the present value of the Coverage Assets has to represent, at any time, at least 102 per cent. of the present value of the Luxembourg Covered Bonds in circulation. Such additional safety buffer may be used, for instance, towards the payment of fees and expenses potentially incurred in connection with the management of the Luxembourg Covered Bonds and the Coverage Assets in the event of insolvency proceedings being opened against the Luxembourg covered bond bank. Finally, as any Luxembourg registered credit institutions, Luxembourg covered bond banks are subject to the supervision of the CSSF (*Commission de surveillance du secteur financier*).

(2) Other Bonds

(a) Bonds issued by companies represented on the DAX

The DAX (*Deutscher Aktien Index*) is a German capitalization-weighted stock market index, which is calculated every second (during local trading hours) by Xetra (the electronic trading system operated by Deutsche Börse Group) and which is based on the share price of thirty German companies listed on the Frankfurt Stock Exchange. As a capitalization-weighted stock market index, the DAX is calculated by taking into account the weight of each of the constituent companies in the index in terms of the market value of its shares available to the market. Accordingly, the larger companies have more impact on the index than the smaller ones. However, the DAX is a so-called "float-adjusted index", which means that only the shares that are actually available to investors, and not all of the company's issued shares (if some of them are not actively traded), are taken into account for calculating the size of the market capitalisation of an individual company. In order to be eligible for the inclusion on the DAX, a company must fulfil several criteria, such as, amongst other things: a minimum three-year period of listing on the Frankfurt Stock Exchange, a free-floating capital of at least 15 per cent. and the availability of early opening prices. Taken into account are also the turnover and the market capitalization of a company, as well as its branch representativeness for the German economy. Unlike most other indices, dividends paid by the constituent companies are taken into consideration for the purposes of the calculation of the DAX.

(b) Bonds issued by companies represented on the CAC 40

The CAC 40 (*Cotation Assistée en Continu*) is a French float-adjusted capitalization-weighted stock market index, which is calculated every second (during local trading hours) and which is based on the share prices of the forty companies with most traded stocks, chosen from the hundred companies listed on Euronext Paris that have the highest free float market capitalisation and share turnover. In order to reflect the performance of the French financial market as closely as possible, the composition of the CAC 40 is reviewed quarterly by an independent index steering committee, the *Conseil Scientifique*. In order to be eligible for the inclusion on the CAC 40, the companies are required, amongst other things, to have a free float adjusted annual velocity (the fraction of the company's free float shares which have changed hands over the previous calendar year) of at least 20 per cent., their turnover being also taken into account.

(c) Bonds issued by companies represented on FTSE 100 Index

The FTSE 100 Index (*Financial Times Stock Exchange 100*) is a UK-adjusted capitalization-weighted stock market index and is operated by the FTSE Group, which is wholly owned by the London Stock Exchange. The FTSE 100 Index is calculated every second (during local trading hours) and is based on the share prices of the hundred companies with the highest

market capitalisation on the London Stock Exchange. The composition of such "top 100" is reviewed every four months. In order to be eligible for the inclusion on the FTSE 100 Index, a company will have to fulfil a number of criteria, such as, for instance, the requirement to have a full listing on the London Stock Exchange with a Sterling or Euro denominated price on the Stock Exchange Electronic Trading Service. The nationality, free float and liquidity of the companies will also be evaluated and taken into account.

(d) Bonds issued by companies represented on the DJIA

The DJIA (*Dow Jones Industrial Average*) is an US-American stock market index that is based on the share price of thirty major companies present in the manufacture of industrial and consumer goods as well as in the financial, entertainment and information technology sectors. The DJIA is calculated every second (during local trading hours). The specificity of the Dow Jones lies in the fact that, unlike the DAX, the CAC 40 or the FTSE 100 Index, it is a price-weighted stock market index, which is calculated as the sum of the share prices of the constituent companies divided by a divisor adjusted every time the shares of the constituent companies are split or pay a dividend in order to generate a consistent value for the index.

(e) Bonds issued by companies represented on the S&P/TSX Composite Index

The S&P/TSX (*S&P/TSX Composite Index*) is the main Canadian float-adjusted capitalization-weighted stock market index based on the stock prices of approximately 200 major companies listed on the Toronto Stock Exchange. The S&P/TSX is calculated every second (during local trading hours) and operated by Standard & Poor's. Its composition is reviewed every four months. The eligibility criteria for the inclusion in the S&P/TSX include the requirement for each constituent company to be listed on the Toronto Stock Exchange and to be incorporated under Canadian laws. Also taken into account are the company's market capitalization and the liquidity of its stock.

(f) Bonds issued by companies represented on the AEX index

The AEX (*AEX index*), derived from Amsterdam Exchange index, is a stock market index composed of Dutch companies that trade on NYSE Euronext Amsterdam. The AEX is calculated every second (during local trading hours). The AEX is composed of a maximum of 25 of the most actively traded securities on the exchange. It is one of the main national indices of the stock exchange group NYSE Euronext alongside Brussels' BEL20, Paris's CAC 40 and Lisbon's PSI-20. As of 2011, the AEX composition is reviewed four times a year. At the main review date, the 23 companies listed on Euronext Amsterdam's regulated market with the highest share turnover (in Euro) over the previous year are admitted to the index. Of the companies ranking between number 24th and 27th, two further companies are selected with preference given to existing constituents of the index. Companies which have fewer than 25 per cent. of shares considered free float on Euronext Amsterdam are, however, ineligible for inclusion. The AEX is a capitalisation-weighted index. At each main annual review, the index weightings of companies in the index are capped at 15 per cent., but range freely with share price subsequently. The index weights are calculated with respect to the closing prices of the relevant companies on each 1st of March. At the three interim reviews, weightings after adjustment are left as close as possible to those of the previous day and are not re-capped.

(g) Bonds issued by companies represented on the EURO STOXX 50 Index

The EURO STOXX 50 (*EURO STOXX 50*) is a stock index of Eurozone stocks designed by STOXX, an index provider owned by Deutsche Börse Group and SIX Group. It is made up of fifty of the largest and most liquid stocks. Its composition is reviewed annually in September. The review cut-off date is the last trading day of August. Calculation takes place every second (during local trading hours). The EURO STOXX 50 represents the largest super-sector leaders in the Eurozone in terms of free-float market capitalisation. The EURO

STOXX 50 captures about 60 per cent. of the free-float market capitalisation of the EURO STOXX Total Market Index (TMI), which in turn covers about 95 per cent. of the free-float market capitalisation of the represented countries. The EURO STOXX 50 is weighted according to free-float market capitalisation. Components are capped at a maximum weight of 10 per cent. quarterly. It is one of the most liquid indices for the Eurozone and as such frequently used as underlying for financial products or for benchmarking purposes.

(h) Contingent Convertible Bonds, Convertible Bonds, Exchangeable Bonds, Mandatory Convertible Bonds and (Mandatory) Exchangeable Bonds, (Subordinated) Bonds

Bonds, including Contingent Convertible Bonds (so-called CoCo Bonds), especially of banks but not limited to, including bonds of Issuers related to Timberland Investment, who may be but must not to be subject to CRR (Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ("institutions") and amending Regulation (EU) No. 648/2012) in regard to Tier-2 (Tier 2 instruments) and AT-1 (Additional Tier 1 instruments) own capital instruments (bonds) as well in case they are not subject to CRR may be but must not to be with the same or similar features. CoCo Bonds, Convertible Bonds, Exchangeable Bonds, Mandatory Convertible Bonds (so-called CoMen Bonds), (Mandatory) Exchangeable Bonds and (Subordinated) Bonds are long-term, mainly subordinated bonds with mostly fixed coupon, which are automatically converted from debt into equity upon the occurrence of pre-determined conversion criteria. These hybrid bonds make lenders in the event of conversion to adhering shareholders and improve the equity of the issuer in economically unfavourable situations. Without triggering moment for the conversion (so-called Trigger Event), CoCo Bonds, Convertible Bonds, Exchangeable Bonds, Mandatory Convertible Bonds and (Mandatory) Exchangeable Bonds remain as normal bonds are to be repaid at the end of their term. Unlike conventional convertibles CoCo Bonds, Mandatory Convertible Bonds and Mandatory Exchangeable Bonds may be automatically converted and the conversion and option is not among the investors. (Mandatory) Exchangeable Bonds may be exchanged by the relevant issuer to instruments of another issuer (especially but not limited to (preferred) shares of related issuers).

(i) Contingent Capital Bonds

Bonds, including Contingent Capital Bonds (so-called CoBo Bonds or CoCap Bonds), especially of banks but not limited to, including bonds of Issuers related to Timberland Investment, who may be but must not to be subject to CRR (Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ("institutions") and amending Regulation (EU) No. 648/2012) in regard to Tier-2 (Tier 2 instruments) own capital instruments (bonds) as well in case they are not subject to CRR may be but must not to be with the same or similar features. CoCap Bonds are long-term, subordinated bonds with mostly fixed coupon, which are reduced in the repayment amount ("write down") at maturity and/or during the duration of the bonds upon the occurrence of pre-determined criteria such as, but not limited to, losses in the profit and loss calculation of an issuer and may be subject to increase of the repayment amount at maturity and/or during the duration of the bonds upon the occurrence of pre-determined criteria such as, but not limited to, profits in the profit and loss calculation of an issuer (commonly known together as "write up-write down"). These hybrid bonds make lenders in the event of a trigger event to loss absorbing investors and improve the equity of the issuer in economically unfavourable situations. Without triggering moment for the write down or write up-write down (so-called Trigger Event), CoCap Bonds remain as normal bonds are to be repaid at the end of their term. Unlike conventional convertibles will be automatically converted and the conversion and option is not among the investors.

(j) (Demand) Promissory Notes, Mortgage Notes

Promissory Notes (sometimes referred to as a note payable or "Schuldscheindarlehen") as a legal instrument (more particularly, a financial instrument and a debt instrument), in which

one party (the maker or issuer) promises in writing to pay a determinate sum of money to the other (the payee), either at a fixed or determinable future time or on demand of the payee, under specific terms, especially of banks but not limited to, including bonds of Issuers related to Timberland Investment, who may be but must not to be subject to CRR (Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ("institutions") and amending Regulation (EU) No. 648/2012) in regard to Tier-2 (Tier 2 instruments) own capital instruments (bonds) as well in case they are not subject to CRR may be but must not to be with the same or similar features. Demand promissory notes are notes that do not carry a specific maturity date but are due on demand of the lender. Promissory notes may be used in combination with security agreements, such as but not limited to in combination with a mortgage, in which case it is called a mortgage note.

(3) **Bond Fund Shares**

Bond funds or debt funds (the **Bond Fund Shares**) are funds that invest in bonds or other debt securities. In order to achieve the investment objectives, the assets of the funds that may be structured as one or more sub-funds are typically predominantly invested around the world in bonds of all kinds – including zero-coupon bonds, floating rate securities and participation certificates as well as convertible and option bonds whose warrants are denominated in securities – that are typically, but not limited to, listed on a stock exchange or traded on another regulated or MTF-market which operates regularly, is recognised and open to the public. Investment in units of UCITs or other UCIs/AIFs may or may not be limited to a certain maximum percentage of the assets of the (sub-) funds. Such (sub-) funds may invest also in total return swaps or other derivative instruments in connection with its different investments. The risks typically, but not limited to, consist of currency, creditworthiness, share price risks as well as from changes in market interest rate risks. The (sub-) funds may use derivatives such as futures, forwards, options and swaps to increase capital growth and to hedge different investments. To increase income, the (sub-) funds may also enter into securities lending transactions.

Such bond funds or debt funds may especially, but not limited to, be one or more (i) UCITs (*Undertakings for Collective Investments in Transferable Securities*) and/or (ii) AIFs (*Alternative Investment Funds*) and/or (iii) ELTIF (*European Long-Term Investment Funds*), including but not limited to, open ended and closed ended loan funds and loan origination funds, which include such funds that invest in promissory notes (*Schuldscheindarlehen*). For the avoidance of doubt, the legal structure of such (sub-) funds include especially, but not limited to, (sub-) funds with legal personality (for instance investment companies such as SICAVs (*Société d'investissement à capital variable*), SPCs (*Segregated Portfolio Companies*)) or be structured as a fund without legal personality such as a FCP (*Fonds commun de placement*) or any other kind of fund structure (for instance, but not limited to, segregated portfolios of an SPC or German *Investmentkommanditgesellschaft* and other).

DESCRIPTION OF THE PRECIOUS METALS PORTFOLIO LIMITED RECOURSE BONDS

Timberland Investment acting in respect of its Precious Metals Portfolio Compartment (as defined below) one or more series of 2018 and future Precious Metals Portfolio Limited Recourse Bonds (the **Precious Metals Portfolio Limited Recourse Bonds**) on an ongoing basis subject to investor demand. The Precious Metals Portfolio Limited Recourse Bonds have not been approved or recommended by any Luxembourg or foreign authority or securities commission. The Precious Metals Portfolio Limited Recourse Bonds will not be offered to the public or admitted to trading and listed on any regulated market or on any alternative market. The Precious Metals Portfolio Limited Recourse Bonds will be integrally subscribed by the Issuer.

1. PRECIOUS METALS PORTFOLIO COMPARTMENT

A separate compartment (within the meaning given to such term in Articles 62 et seq. of the Securitisation Act 2004) called "the Precious Metals Portfolio Compartment" was created by the Board on 10 July 2015 (the **Precious Metals Portfolio Compartment**). The Precious Metals Portfolio Compartment constitutes a separate part of Timberland Investment's assets and liabilities. The assets allocated to the Precious Metals Portfolio Compartment are in principle exclusively available to satisfy the rights of holders of the Precious Metals Portfolio Limited Recourse Bonds, the rights of the holders of any other series of bonds issued by Timberland Investment under the Precious Metals Portfolio Compartment and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Precious Metals Portfolio Compartment, as contemplated by the Timberland Investment Articles. The Precious Metals Portfolio Compartment (comprising the Precious Metals Portfolio (as defined below)) is governed by Luxembourg law.

2. FORM AND DENOMINATION

Precious Metals Portfolio Limited Recourse Bonds are issued in registered form only and have a nominal value of EUR 0.01 (one cent) each. Precious Metals Portfolio Limited Recourse Bond may be issued in any integral multiple of such nominal value.

3. TRANSFER AND TITLE

- (a) Title to Precious Metals Portfolio Limited Recourse Bonds passes only by registration in the register of holders of Precious Metals Portfolio Limited Recourse Bonds kept by Timberland Investment at its registered office. Ownership in respect of the Precious Metals Portfolio Limited Recourse Bonds is established by the registration in such register.
- (b) The holding of Precious Metals Portfolio Limited Recourse Bonds may be transferred in whole but not in part in order that there shall at all times be only one holder of all outstanding Precious Metals Portfolio Limited Recourse Bonds.

4. NO MATURITY

The Precious Metals Portfolio Limited Recourse Bonds do not have a stated maturity date.

5. STATUS AND RANKING

Precious Metals Portfolio Limited Recourse Bonds constitute direct, unsecured limited recourse obligations of Timberland Investment and rank pari passu and rateably, without any preference among themselves, with all other existing direct unsecured limited recourse pass through indebtedness of Timberland Investment, which has been or will be allocated to the Precious Metals Portfolio Compartment but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

6. INTEREST / COUPON

No interest or coupon is payable in respect of Precious Metals Portfolio Limited Recourse Bonds.

7. REDEMPTION RIGHTS

- (a) Precious Metals Portfolio Limited Recourse Bonds are redeemable at the Redemption Amount. The **Redemption Amount**
- (i) will depend on the value of such portion of assets allocated to the Precious Metals Portfolio Compartment (the **Precious Metals Portfolio Compartment Assets**, which are composed of the respective Compartment Assets (as defined above)) as corresponds to the number of the outstanding Precious Metals Portfolio Limited Recourse Bonds to be redeemed; and
 - (ii) will be equal to the sum of (A) the relevant portion of the Precious Metals Portfolio Compartment Assets already held in the form of cash and (B) the amount received by Timberland Investment in connection with the redemption, disposal or enforcement (as applicable) of the relevant portion of the non-cash Precious Metals Portfolio Compartment Assets minus any unpaid costs.
- (b) Unless previously purchased and cancelled, the Precious Metals Portfolio Limited Recourse Bonds will be redeemed at the Redemption Amount by Timberland Investment. In limited circumstances, such as when the obligations of Timberland Investment arising under, or in connection with, the Precious Metals Portfolio Limited Recourse Bonds become, in the opinion and at the discretion of Timberland Investment, unreasonably burdensome, Timberland Investment may redeem (in whole but not in part) the Precious Metals Portfolio Limited Recourse Bonds.
- (c) Without prejudice to its right of redemption in connection with an event of default (as provided for in the terms and conditions of Precious Metals Portfolio Limited Recourse Bonds), the holder of Precious Metals Portfolio Limited Recourse Bonds may request the redemption of all or part of the bonds held by it any time.

8. COSTS

From the issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds an amount will be set aside and recorded by Timberland Investment in a separate ledger (the **Cash Ledger**) to be used for the payment of (i) costs and expenses incurred by Timberland Investment in connection with, and relating to, the Precious Metals Portfolio Limited Recourse Bonds and the Precious Metals Portfolio Compartment or (ii) the relevant proportion of general costs of Timberland Investment allocated to the Precious Metals Portfolio Compartment in accordance with the Timberland Investment Articles and (iii) any costs and expenses incurred, paid and/or agreed on by the Precious Metals Portfolio Limited Recourse Bonds and/or the Precious Metals Portfolio Compartment whereby (i-iii) relates to any costs and expenses (such as but not limited to advertising) which are or will be incurred, paid and/or agreed on by/with Timberland Securities SPC and its relevant portfolio(s) and/or the Arranger and/or the Distribution Agent(s), due to the Precious Metals Portfolio Limited Recourse Bonds its interest and the Precious Metals Portfolio Compartment's interest in the distribution of Notes of Timberland Securities SPC and its relevant portfolio(s) to increase proceeds from the issue of its Precious Metals Portfolio Limited Recourse Bonds. Timberland Investment may determine the amount of the Cash Ledger at its sole discretion.

Costs and expenses incurred by Timberland Investment in connection with the Precious Metals Portfolio Compartment include especially, but not limited to, the Advisory Fee, the Arranging Fee of the 2018 Precious Metals Portfolio Limited Recourse Bonds and the Arranging Fee(s) of further future issued Precious Metals Portfolio Limited Recourse Bonds (together the **Arranging Fees**) and the Arranger Prefunded Amounts (as defined below).

Advisory Fee means the amount calculated by the Calculation Agent at the end of each calendar month using the fair value principle and payable by Timberland Investment to the Investment Advisor (Timberland Fund Management Ltd. or any other applicable Investment Advisor or any successor or replacement thereto) in respect of the Precious Metals Portfolio Compartment, which shall be equal to the sum of

(A) the higher of:

the sum of

- (i) 0.07916 per cent. per month of the tranche of the Adjusted Net Asset Value (as defined below) below EUR 25,000,000; and
- (ii) 0.07083 per cent. per month of the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000; and
- (iii) 0.0625 per cent. per month of the tranche of the Adjusted Net Asset Value above EUR 50,000,000

or

the amount of EUR 2,500 per month during the year 2018 or EUR 4,000 per month during the year 2019 and all subsequent years;

and

(B) the sum of:

- (i) for the tranche of the Adjusted Net Asset Value below EUR 25,000,000, a performance-based amount equal to 12.5 per cent. of the Net Increase of the NAV (as defined below); and
- (ii) for the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000, a performance-based amount equal to 10 per cent. of the Net Increase of the NAV; and
- (iii) for the tranche of the Adjusted Net Asset Value above EUR 50,000,000 a performance-based amount equal to 7.5 per cent. of the Net Increase of the NAV

increased for (A) and (B) by the amount of VAT (as far as VAT is payable in respect of such performance-based amount in Luxembourg), where:

Adjusted Net Asset Value means the Net Asset Value of the Precious Metals Portfolio Compartment calculated by the Calculation Agent and reduced by, if applicable, the net value of the assets invested in Timberland Funds II SPC and its relevant Segregated Portfolio(s) and Timberland Fonds OptiMix International GmbH & Co. KG.

Arranging Fee means (especially but not limited to any series of R2- and R6-Precious Metals Portfolio Limited Recourse Bonds, and any series of B2-Precious Metals Portfolio Limited Recourse Bonds and any future series of Precious Metals Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series) an amount calculated by the Calculation Agent and payable by Timberland Investment to Timberland Securities Investment plc in respect of the Precious Metals Portfolio Compartment, which shall be equal to the amount of up to EUR 975,000 per series of Notes issued by the Precious Metals Portfolio Compartment increased by the amount of VAT (as far as VAT is payable in respect of such amount in Luxembourg or elsewhere). The emergence of the claim of a partial amount in regard to the Arranging Fee is bound to, arises and falls due according to the ongoing issued and distributed relevant Precious Metals Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a

period of time. The Arranger has the sole and absolute discretion to lower the Arranging Fees to EUR 0.00.

Arranger Prefunded Amounts means all amounts, fees and costs relating to, among other things, the structure set-up, the creation, operation or liquidation of the Precious Metals Portfolio Compartment and the issue or the redemption of the Precious Metals Portfolio Limited Recourse Bonds that have been prefunded by the (sub-) Arranger(s) and related parties (in case such prefunded Amounts have been assigned to the (sub-) Arranger(s)) from time to time and have to be repaid by Timberland Investment to the (sub-) Arranger(s). The emergence of the claim of a partial amount in regard to the Arranger Prefunded Amounts is bound to, arises and falls due according to the ongoing issued and distributed relevant Precious Metals Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranger Prefunded Amounts to EUR 0.00.

Net Asset Value means the net value of the Precious Metals Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP) (LUX GAAP), especially but not limited to historical costs less durable impairments, or International Financial Reporting Standards (IFRS) as the accounting principles applicable to Timberland Investment and its compartments). The Calculation Agent can hereby at its sole discretion independently from the accounting under LUX GAAP or IFRS as the accounting principles applicable to Timberland Investment and its compartments (or its successor) in regard to the calculation of the Net Asset Value of the Precious Metals Portfolio Limited Recourse Bonds and for the determination of the issuing price and/or the redemption price of any series of Precious Metals Portfolio Limited Recourse Bonds (especially but not limited to any series of R2- and R6-Precious Metals Portfolio Limited Recourse Bonds, and any series of B2 Precious Metals Portfolio Limited Recourse Bonds and any future series of Precious Metals Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series), calculate such amounts, fees and costs to be amortised for the purpose of the calculation of the issuing and/or redemption price of the relevant series of Precious Metals Portfolio Limited Recourse Bonds by the amount of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) less accumulated depreciation for a period of up to seven (7) years plus the remaining days of the current calendar year, where the depreciation is in accordance with the useful economical life of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) of up to seven (7) years plus the remaining days of the current calendar year and accordingly its linear amortization rate. The calculation may be independently of (i) the related origination of these costs and (ii) when they are due for payments and (iii) of the cash-flow in regard to any such amounts, fees and costs (including as applicable Arranger Fees and Arranger Prefunded Amounts).

Net Increase of the NAV means the positive difference between (i) the Net Asset Value at the end of a given calendar month (the **Relevant Month**) of the Precious Metals Portfolio Compartment compared at the end of the Relevant Month to (ii) the Net Asset Value at the end of the immediately preceding calendar month of the Precious Metals Portfolio Compartment, adjusted by (a) the Cash Inflows at the end of the Relevant Months and (b) the Cash Outflows at the end of the Relevant Month, where:

- (a) **Cash Inflows** means the aggregate amount received by Timberland Investment from the Issuer in the Relevant Month as consideration for the Precious Metals Limited Recourse Bonds; and
- (b) **Cash Outflows** means the aggregate amount paid by Timberland Investment to the Issuer in the Relevant Month in order to redeem (if applicable) the Precious Metals Limited Recourse Bonds.

If no amount under (B) is due during one business year (which may change from time to time), the basis for the subsequent determination of the Net Increase of the NAV will be the last Net Asset Value of the ended fiscal year.

The amount under (B) is due at the end of each Relevant Month.

9. FURTHER ISSUES

Timberland Investment may from time to time, without the consent of the holder of Precious Metals Portfolio Limited Recourse Bonds, create and issue under the Precious Metals Portfolio Compartment further bonds (i) having the same terms and conditions in all respects as the outstanding Precious Metals Portfolio Limited Recourse Bonds except for the issue date, so that such further issue shall be consolidated and form a single series with the outstanding Precious Metals Portfolio Limited Recourse Bonds or (ii) upon such terms and conditions as Timberland Investment may determine at the time of their issue. Timberland Investment may, without the consent of the holder of Precious Metals Portfolio Limited Recourse Bonds, issue all types of securities under other compartments set up by it.

10. GOVERNING LAW

Precious Metals Portfolio Limited Recourse Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

11. USE OF PROCEEDS

Timberland Investment invests the net issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds into one or more of the following types of precious metals: (i) gold, (ii) silver, (iii) platinum and (iv) palladium (collectively, **Eligible Precious Metals** and each, an **Eligible Precious Metal**) and/or fund shares of funds/AIFs investing into precious metals (**Eligible Precious Metals Fund Shares**). For the avoidance of doubt, the Precious Metals Portfolio Compartment can hold any amount of cash and adjust the selection and composition (including but not limited to the percentage holding) of the different Eligible Precious Metals and/or Eligible Precious Metals Fund Shares as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion, but in accordance with the below description.

Eligible Precious Metals Fund Shares including Precious Metals Fund Shares of companies related to the Issuer, are one or more fund(s)/AIF(s) that may especially, but not limited to, be (i) AIFs (*Alternative Investment Funds*) and/or ELTIF-Funds (*European Long-Term Investment Funds*), including but not limited to, open ended and closed ended Precious Metals (sub-) funds, including Precious Metals (sub-) funds of companies related to the Issuer. For the avoidance of doubt, the legal structure of such (sub-) funds include especially, but not limited to, (sub-) funds with legal personality (for instance investment companies such as SICAVs (*Société d'investissement à capital variable*), SPCs (*Segregated Portfolio Companies*)) or be structured as a fund without legal personality such as a FCP (*Fonds commun de placement*) or any other kind of fund structure (for instance, but not limited to, segregated portfolios of an SPC or German *Investmentkommanditgesellschaft* and other).

All Eligible Precious Metals and Eligible Precious Metals Fund Shares purchased by Timberland Investment acting in respect of the Precious Metals Portfolio Compartment form part of a separate investment portfolio of Timberland Investment (the **Precious Metals Portfolio**) and are allocated to the Precious Metals Portfolio Compartment. The current composition of the Precious Metals Portfolio is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration on the website. Once any Eligible Precious Metals and/or and Eligible Precious Metals Fund Shares have been purchased, the value of the component Eligible Precious Metals and/or Eligible Precious Metals Fund Shares (and that of the Precious Metals Portfolio as a whole) will inevitably vary from time to time in line with the fluctuation of the market prices. Accordingly, the percentage that each of the Eligible Precious Metals and/or and Eligible Precious Metals Fund Shares represents in the whole Precious Metals Portfolio cannot be guaranteed over time and Timberland Investment has no obligation to monitor the value of the Eligible Precious Metals and/or and Eligible Precious Metals Fund Shares in the Precious Metals Portfolio and/or to rebalance the composition of the Precious

Metals Portfolio by purchasing and selling the Eligible Precious Metals and/or Eligible Precious Metals Fund Shares on an ongoing basis in order to maintain a fixed percentage ratio between the components of the Precious Metals Portfolio.

Conditions of an investment in Eligible Precious Metals

The investment by Timberland Investment into Eligible Precious Metals is subject to the following conditions:

- (A) if the net issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds invested by Timberland Investment at any given time are used to purchase one type of Eligible Precious Metals only, it should be gold; and
- (B) if gold constitutes less than fifty (50) per cent. of the entire composition of the Precious Metals Portfolio, the available net issue proceeds of the Precious Metals Portfolio Limited Recourse Bonds should be used to purchase gold until the fifty (50) per cent. threshold is reached and before such proceeds are invested in the other three Eligible Precious Metals (for comparison purposes, the current value of the Eligible Precious Metals held at any given time in the Precious Metals Portfolio is calculated in Euro) and/or Eligible Precious Metals Fund Shares.

With respect to gold, silver, platinum and palladium, the following applies:

Gold can be in any kind of form: embossed, non-embossed, cast as ounces or bars or as so called kinebar bars, in each case in a purity of minimum 99.5 per cent.

Silver can be in any kind of form: embossed, non-embossed, cast as ounces or bars, in each case in a purity of minimum 99.9 per cent.

Platinum can be in any kind of form: embossed, non-embossed, cast as ounces or bars, in each case in a purity of minimum 99.5 per cent.

Palladium can be in any kind of form: embossed, non-embossed, cast as ounces or bars, in each case in a purity of minimum 99.5 per cent.

Storage of Eligible Precious Metals

Gold allocated to the Precious Metals Portfolio Compartment is stored especially, but not limited to, with Commerzbank AG, acting through its Luxembourg Branch, having its place of business at 25 rue Edward Steichen, L-2540 Luxembourg (the **Gold Custodian**) and silver, platinum and palladium allocated to the Precious Metals Portfolio Compartment are stored with Brinks Global Services Ltd., represented in Luxembourg by BK Services SARL, Brink's Luxembourg S.A. and Brink's Security Luxembourg S.A., all having their respective place of business at 8 rue de Bitbourg, L-1273 Luxembourg (the **Custodian for Silver, Platinum and Palladium** and, collectively with the Gold Custodian, the **Precious Metals Custodian** and each, a **Precious Metals Custodian**) or any other Precious Metals Custodian, which is in the view of the Issuer of good reputation. Each Precious Metals Custodian may appoint one or more sub-custodians to whom it will delegate all or some of its roles and functions in respect of the relevant Eligible Precious Metals (each, a **Precious Metals Sub-Custodian**). Precious Metals Sub-Custodians (if any) selected and appointed by a Precious Metals Custodian may, from time to time, temporarily hold (at their own cost) the Eligible Precious Metals allocated to the Precious Metals Portfolio Compartment until such Eligible Precious Metals are transported to the Precious Metals Custodian's own vault (at the Precious Metals Custodian's cost). Precious Metals Sub-Custodians have typically no written contractual relationship with Timberland Investment as such arrangements are traditionally based on the relevant LBMA or LPPM's rules and on the customs and practices of the London and Zurich bullion markets. The relevant Precious Metals Custodian is liable for transfers of Eligible Precious Metals to its vault from a Precious Metals Sub-Custodian's vault (if applicable). Entities that may be appointed as Precious Metals (Sub-) Custodians include, without limitation, the Bank of England, the Bank of Nova Scotia

(Scotia Mocatta), Deutsche Bank AG, JP Morgan Chase Bank, UBS AG, Barclays Bank Plc, Johnson Matthey Plc, Brink's Global Services Ltd, Brink's Luxembourg SA, Commerzbank AG and its subsidiaries, Commerzbank International S.A. and Via Mat International Limited or any other reputable company within the European Union, Switzerland or United States of America. "Reputable" means a company which is market maker, clearer and approved weigher under the rules of the LBMA and/or LPPM (both terms as defined below) or another wholesale market selected by Timberland Investment for purposes of trading of Eligible Precious Metals. Eligible Precious Metals are held with a Precious Metals Custodian either in an Allocated Account or an Unallocated Account. An **Allocated Account** is an account held by a custodian in a client' name the credit balance of which shows uniquely identifiable bars, plates or ingots of a precious metal allocated to a specific customer and segregated from other any other precious metal held in the vault. The client has full title to the relevant precious metal which does not form part of custodian's assets. An **Unallocated Account** is an account held by a custodian in a client' name the credit balance of which does not entitle the client to specific bars of gold or silver or plates or ingots of platinum or palladium but is backed by the general stock of the custodian. In this scenario, the client is treated as an unsecured creditor of the custodian.

Under the relevant custody agreement entered into by Timberland Investment and a Precious Metals Custodian (the **Precious Metals Custody Agreement**), all Eligible Precious Metals allocated to the Precious Metals Portfolio Compartment will be held in the Precious Metals Custodian's own secure vault or, from time to time, mostly temporarily in the secure vaults of Precious Metals Sub-Custodians selected and appointed by the Precious Metals Custodian. All of the Eligible Precious Metals in the Precious Metals Portfolio Compartment will be held in Allocated Accounts as Good Delivery bars, plates or ingots, other than amounts which may be held in case of banks within the EU, Switzerland or the United States in Unallocated Accounts. The Eligible Precious Metals will be held and settled in accordance with standards set down by the LBMA (for gold and silver) and the LPPM (for platinum and palladium). Timberland Investment acting in respect of the Precious Metals Portfolio Compartment has title to the Eligible Precious Metals held in Allocated Accounts, all of which are held as uniquely identifiable bars, plates or ingots of metal, bearing the refiner's brand and unique serial number, and which are physically segregated from other metal held in the Precious Metals Custodian and, where relevant, Precious Metals Sub-Custodian's secure vaults. Any Eligible Precious Metal held by a Precious Metals Sub-Custodian shall only be held on the Precious Metals Custodian's behalf on an allocated basis. Only a proportion of Eligible Precious Metals (representing either (i) an amount not sufficient for a Good Delivery bar, plate or ingot, (ii) Eligible Precious Metals received from an Unallocated Account which has not yet been allocated by the Precious Metals Custodian to the relevant Allocated Account, or (iii) Eligible Precious Metals which has been deallocated from the relevant Allocated Account for purposes of redeeming of Precious Metals Portfolio Limited Recourse Bonds or paying costs of the Precious Metals Portfolio Compartment (if applicable) will be held in the relevant Unallocated Account with the Precious Metals Custodian.

Eligible Precious Metals held in unallocated form are not physically segregated by the Precious Metals Custodian from other metal held by it and do not entitle Timberland Investment to specific bars, plates or ingots but give it the right to require the delivery of the relevant amount of Eligible Precious Metals. Likewise, a broker or dealer used by Timberland Investment to purchase or sell Eligible Precious Metals (a **Participating Dealer**), which typically is, but may not be, the same entity or an entity belonging to the same group of companies as the Precious Metals Custodian or Precious Metals Sub-Custodian (if any), may not request the delivery of specific bars, plates or ingots on redemption.

Determination of precious metals prices

The calculation of, for example, the London Gold-, Silver-, Platinum- and Palladium Price is not an exact process. Rather it is based upon a procedure of matching orders from participants in the auction process and their customers to sell gold, silver, platinum or palladium with orders from participants in the auction process and their customers to buy gold, silver, platinum or palladium at particular prices. The London Gold-, Silver-, Platinum- and Palladium Price does not therefore purport to represent every single buyer or seller of gold, silver, platinum or palladium in the market, nor does

it purport to set a definitive price for gold, silver, platinum or palladium at which all orders for sale or purchase will take place on that particular day or time. All orders placed into the auction process by the participants will be executed on the basis of the London Gold-, Silver-, Platinum- and Palladium Price determined (provided that orders may be cancelled, increased or decreased whilst the auction is in progress). The fixing prices for gold and silver are determined by The London Gold Market Fixing Limited and The London Silver Market Fixing Limited, respectively, whereas the fixing prices for platinum are determined by The London Platinum and Palladium Market (LPPM). The London Gold Market Fixing Limited and The London Silver Market Fixing Limited are private companies based in London with five or three member firms respectively. The banks that determine the London PM Fix for gold and the banks that determine the London Fix for silver are each market making member of The London Bullion Market Association (LBMA), being the London-based trade association that represents the wholesale market for gold and silver in London. Likewise, the banks that determine the London PM Fix for platinum are full members of the LPPM, being the trade association for the London and Zurich platinum markets. Whilst most of the member firms of these organisations and associations will hold licences from the UK Financial Conduct Authority in respect of specific regulated activities they may undertake in the course of their various businesses, none of the LBMA, the LPPM, The London Gold Market Fixing Limited, The London Silver Market Fixing Limited nor the fixings processes for the London PM Fix for gold and platinum and London Fix for silver themselves is subject to the oversight or supervision of any financial regulator.

Clearing of transactions on the physical precious metals market

Clearing of transactions on the physical precious metals market is primarily centred in London for silver and gold and in Zurich and London for platinum and palladium. There are two trade associations which act as the coordinator for activities conducted in these markets – the London Bullion Market Association (**LBMA**) and the London Platinum and Palladium Market (**LPPM**). The roles of each of these associations include maintaining a relevant "Good Delivery" list of specifications for physical bars, plates or ingots that meet the minimum standard of quality, coordinating market clearing and vaulting, promoting good trading practices and developing standard documentation.

The "Good Delivery" specifications

Under the London Bullion Market Association (LBMA) London Good Delivery List (in respect of gold and silver) and the London Platinum and Palladium Market (LPPM) London/Zurich Good Delivery List (in respect of platinum and palladium), only metal that meets the stated specifications (the list of which is referred to as "Good Delivery"), for example as to weight and fineness, may be accepted for trading in the London or Zurich precious metal markets. The standards required for platinum and palladium to be included in the London/Zurich Good Delivery List are set out on the LPPM website and the standards required for gold and silver bars to be included in the London Good Delivery List are set out in "The Good Delivery Rules for Gold and Silver Bars" published by the LBMA.

A summary of these appear in the table below:

Precious Metal	Gold	Silver	Platinum	Palladium
Form	bar	bar	Plate or ingot	Plate or ingot
Minimum fineness/ purity	99.5 per cent.	99.9 per cent.	99.95 per cent.	99.95 per cent.
Weight	350 oz to 430 oz	750 oz to 1,100 oz	1 kg to 6 kg (32 oz to 192 oz)	1 kg to 6 kg (32 oz to 192 oz)
Measure	fine troy oz	troy oz	troy oz	troy oz

There is a variety of smaller and exact weight bars, plates or ingots are available in the market such as investment bars and kine bars. The Precious Metals Portfolio Compartment will primarily hold precious metals which are backed by Good Delivery bars for gold and silver and Good Delivery plates and ingots for platinum and palladium or which come from current or former LBMA-listed producers of investment bars (if any) and kine bars (if any). The Precious Metals Portfolio may also contain Eligible Precious Metals in forms other than those meeting the Good Delivery requirements. A kinebar is a gold bar which contains a kinegram to prove its authenticity. Kinegram is a trademark of OVD Kinegram Corp. (Switzerland). A kinegram is a diffractive security device embossed into a substrate (here gold). It is intended both as a security feature and for visual appeal. Union Bank of Switzerland, through Argor-Heraeus SA (subsidiary of Commerzbank), has applied the kinegram as a security device to the reverse of its minted bars since December 1993. The kinebar now produced by UBS AG is a registered trade mark of UBS. For further information please see <http://www.lbma.org.uk/index.html> of the LBMA.

DESCRIPTION OF THE OPTIMIX PORTFOLIO LIMITED RECOURSE BONDS

Timberland Investment acting in respect of its OptiMix Portfolio Compartment (as defined below) may issue one or more Series of 2018 and future OptiMix Portfolio Limited Recourse Bonds (the **OptiMix Portfolio Limited Recourse Bonds**) on an ongoing basis subject to investor demand. The OptiMix Portfolio Limited Recourse Bonds have not been approved or recommended by any Luxembourg or foreign authority or securities commission. The OptiMix Portfolio Limited Recourse Bonds will not be offered to the public or admitted to trading and listed on any regulated market or on any alternative market. The OptiMix Portfolio Limited Recourse Bonds will be integrally subscribed by the Issuer.

1. OPTIMIX PORTFOLIO COMPARTMENT

A separate compartment (within the meaning given to such term in Articles 62 et seq. of the Securitisation Act 2004) called "the OptiMix Portfolio Compartment" was created by the Board on 10 July 2015 (previously under the name "OptiMix Portfolio Compartment", now the **OptiMix Portfolio Compartment**). The OptiMix Portfolio Compartment constitutes a separate part of Timberland Investment's assets and liabilities. The assets allocated to the OptiMix Portfolio Compartment are in principle exclusively available to satisfy the rights of holders of the OptiMix Portfolio Limited Recourse Bonds, the rights of the holders of any other series of bonds issued by Timberland Investment under the OptiMix Portfolio Compartment and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the OptiMix Portfolio Compartment, as contemplated by the Timberland Investment Articles. The OptiMix Portfolio Compartment (comprising the OptiMix Portfolio (as defined below)) is governed by Luxembourg law.

2. FORM AND DENOMINATION

OptiMix Portfolio Limited Recourse Bonds are issued in registered form only and have a nominal value of EUR 0.01 (one cent) each. OptiMix Portfolio Limited Recourse Bond may be issued in any integral multiple of such nominal value.

3. TRANSFER AND TITLE

- (a) Title to OptiMix Portfolio Limited Recourse Bonds passes only by registration in the register of holders of OptiMix Portfolio Limited Recourse Bonds kept by Timberland Investment at its registered office. Ownership in respect of the OptiMix Portfolio Limited Recourse Bonds is established by the registration in such register.
- (b) The holding of OptiMix Portfolio Limited Recourse Bonds may be transferred in whole but not in part in order that there shall at all times be only one holder of all outstanding OptiMix Portfolio Limited Recourse Bonds.

4. NO MATURITY

The OptiMix Portfolio Limited Recourse Bonds do not have a stated maturity date.

5. STATUS AND RANKING

OptiMix Portfolio Limited Recourse Bonds constitute direct, unsecured limited recourse obligations of Timberland Investment and rank *pari passu* and rateably, without any preference among themselves, with all other existing direct unsecured limited recourse pass through indebtedness of Timberland Investment, which has been or will be allocated to the OptiMix Portfolio Compartment but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

6. INTEREST / COUPON

No interest or coupon is payable in respect of OptiMix Portfolio Limited Recourse Bonds.

7. REDEMPTION RIGHTS

- (a) OptiMix Portfolio Limited Recourse Bonds are redeemable at the Redemption Amount. The **Redemption Amount**
- (i) will depend on the value of such portion of assets allocated to the OptiMix Portfolio Compartment (the **OptiMix Portfolio Compartment Assets**, which are composed of the respective Compartment Assets (as defined above)) as corresponds to the number of the outstanding OptiMix Portfolio Limited Recourse Bonds to be redeemed; and
 - (ii) will be equal to the sum of (A) the relevant portion of the OptiMix Portfolio Compartment Assets already held in the form of cash and (B) the amount received by Timberland Investment in connection with the redemption, disposal or enforcement (as applicable) of the relevant portion of the non-cash OptiMix Portfolio Compartment Assets minus any unpaid costs.
- (b) Unless previously purchased and cancelled, the OptiMix Portfolio Limited Recourse Bonds will be redeemed at the Redemption Amount by Timberland Investment. In limited circumstances, such as when the obligations of Timberland Investment arising under, or in connection with, the OptiMix Portfolio Limited Recourse Bonds become, in the opinion and at the discretion of Timberland Investment, unreasonably burdensome, Timberland Investment may redeem (in whole but not in part) the OptiMix Portfolio Limited Recourse Bonds.
- (c) Without prejudice to its right of redemption in connection with an event of default (as provided for in the terms and conditions of OptiMix Portfolio Limited Recourse Bonds), the holder of OptiMix Portfolio Limited Recourse Bonds may request the redemption of all or part of the bonds held by it any time.

8. COSTS

From the issue proceeds of the OptiMix Portfolio Limited Recourse Bonds an amount will be set aside and recorded by Timberland Investment in a separate ledger (the **Cash Ledger**) to be used for the payment of (i) costs and expenses incurred by Timberland Investment in connection with, and relating to, the OptiMix Portfolio Limited Recourse Bonds and the OptiMix Portfolio Compartment or (ii) the relevant proportion of general costs of Timberland Investment allocated to the OptiMix Portfolio Compartment in accordance with the Timberland Investment Articles and (iii) any costs and expenses incurred, paid and/or agreed on by the OptiMix Portfolio Limited Recourse Bonds and/or the OptiMix Portfolio Compartment whereby (i-iii) relates to any costs and expenses (such as but not limited to advertising) which are or will be incurred, paid and/or agreed on by/with Timberland Securities SPC and its relevant portfolio(s) and/or the Arranger and/or the Distribution Agent(s), due to the OptiMix Portfolio Limited Recourse Bonds its interest and the OptiMix Portfolio Compartment's interest in the distribution of Notes of Timberland Securities SPC and its relevant portfolio(s) to increase proceeds from the issue of its OptiMix Portfolio Limited Recourse Bonds. Timberland Investment may determine the amount of the Cash Ledger at its sole discretion.

Costs and expenses incurred by Timberland Investment in connection with the OptiMix Portfolio Compartment include especially, but not limited to, the Advisory Fee, the Arranging Fee of the 2018 OptiMix Portfolio Limited Recourse Bonds and the Arranging Fee(s) of further future issued OptiMix Portfolio Limited Recourse Bonds (together the **Arranging Fees**) and the Arranger Prefunded Amounts (as defined below).

Advisory Fee means the amount calculated by the Calculation Agent at the end of each calendar month using the fair value principle and payable by Timberland Investment to the Investment Advisor (Timberland Fund Management Ltd. or any other applicable Investment Advisor or any successor or replacement thereto) in respect of the OptiMix Portfolio Compartment, which shall be equal to the sum of

(A) the higher of:

the sum of

- (i) 0.07916 per cent. per month of the tranche of the Adjusted Net Asset Value (as defined below) below EUR 25,000,000; and
- (ii) 0.07083 per cent. per month of the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000; and
- (iii) 0.0625 per cent. per month of the tranche of the Adjusted Net Asset Value above EUR 50,000,000

or

the amount of EUR 2,500 per month during the year 2018 or EUR 4,000 per month during the year 2019 and all subsequent years;

and

(B) the sum of

- (i) for the tranche of the Adjusted Net Asset Value below EUR 25,000,000, a performance-based amount equal to 12.5 per cent. of the Net Increase of the NAV (as defined below); and
- (ii) for the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000, a performance-based amount equal to 10 per cent. of the Net Increase of the NAV; and
- (iii) for the tranche of the Adjusted Net Asset Value above EUR 50,000,000 a performance-based amount equal to 7.5 per cent. of the Net Increase of the NAV

increased for (A) and (B) by the amount of VAT (as far as VAT is payable in respect of such performance-based amount in Luxembourg), where:

Adjusted Net Asset Value means the net value of the OptiMix Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of LUX GAAP (historical costs less durable impairments) or IFRS as the accounting principles applicable to Timberland Investment and its compartments) and reduced by, if applicable, the net value of the assets invested in Timberland Funds SPC and Timberland Funds II SPC and its relevant Segregated Portfolio(s).

Arranging Fee means (especially but not limited to any series of R2- and R6-OptiMix Portfolio Limited Recourse Bonds, and any series of B2-OptiMix Portfolio Limited Recourse Bonds and any future series of OptiMix Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series) an amount calculated by the Calculation Agent and payable by Timberland Investment to Timberland Securities Investment plc in respect of the OptiMix Portfolio Compartment, which shall be equal to the amount of up to EUR 1,950,000 per series of Notes issued by the OptiMix Portfolio Compartment increased by the amount of VAT (as far as VAT is payable in respect of such amount in Luxembourg or elsewhere). The emergence of the claim of a partial amount in regard to the Arranging Fee is bound to, arises and falls due according to the ongoing issued and distributed

relevant OptiMix Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranging Fees to EUR 0.00.

Arranger Prefunded Amounts means all amounts, fees and costs relating to, among other things, the structure set-up, the creation, operation or liquidation of the OptiMix Portfolio Compartment and the issue or the redemption of the OptiMix Portfolio Limited Recourse Bonds that have been prefunded by the (sub-) Arranger(s) and related parties (in case such prefunded Amounts have been assigned to the (sub-) Arranger(s)) from time to time and have to be repaid by Timberland Investment to the (sub-) Arranger(s). The emergence of the claim of a partial amount in regard to the Arranger Prefunded Amounts is bound to, arises and falls due according to the ongoing issued and distributed relevant OptiMix Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranger Prefunded Amounts to EUR 0.00.

Net Asset Value means the net value of the OptiMix Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP (LUX GAAP), especially but not limited to historical costs less durable impairments, or International Financial Reporting Standards (IFRS) (as the accounting principles applicable to Timberland Investment and its compartments). The Calculation Agent can hereby at its sole discretion independently from the accounting under LUX GAAP or IFRS as the accounting principles applicable to Timberland Investment and its compartments (or its successor) in regard to the calculation of the Net Asset Value of the OptiMix Portfolio Limited Recourse Bonds and for the determination of the issuing price and/or the redemption price of any series of OptiMix Portfolio Limited Recourse Bonds (especially but not limited to any series of R2- and R6-OptiMix Portfolio Limited Recourse Bonds, and any series of B2 OptiMix Portfolio Limited Recourse Bonds and any future series of OptiMix Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series), calculate such amounts, fees and costs to be amortised for the purpose of the calculation of the issuing and/or redemption price of the relevant series of OptiMix Portfolio Limited Recourse Bonds by the amount of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) less accumulated depreciation for a period of up to seven (7) years plus the remaining days of the current calendar year, where the depreciation is in accordance with the useful economical life of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) of up to seven (7) years plus the remaining days of the current calendar year and accordingly its linear amortization rate. The calculation may be independently of (i) the related origination of these costs and (ii) when they are due for payments and (iii) of the cash-flow in regard to any such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts).

Net Increase of the NAV means the positive difference between (i) the Adjusted Net Asset Value at the end of a given calendar month (the **Relevant Month**) of the OptiMix Portfolio Compartment compared at the end of the Relevant Month to (ii) the Adjusted Net Asset Value at the end of the immediately preceding calendar month of the OptiMix Portfolio Compartment, adjusted by (a) the Cash Inflows at the end of the Relevant Months and (b) the Cash Outflows at the end of the Relevant Month, where:

- (a) **Cash Inflows** means the aggregate amount received by Timberland Investment from the Issuer in the Relevant Month as consideration for the OptiMix Portfolio Limited Recourse Bonds; and
- (b) **Cash Outflows** means the aggregate amount paid by Timberland Investment to the Issuer in the Relevant Month in order to redeem (if applicable) the OptiMix Portfolio Limited Recourse Bonds.

If no amount under (B) is due during one business year (which may change from time to time), the basis for the subsequent determination of the Net Increase of the NAV will be the last Adjusted Net Asset Value of the ended fiscal year.

The amount under (B) is due at the end of each Relevant Month.

9. FURTHER ISSUES

Timberland Investment may from time to time, without the consent of the holder of OptiMix Portfolio Limited Recourse Bonds, create and issue under the OptiMix Portfolio Compartment further bonds (i) having the same terms and conditions in all respects as the outstanding OptiMix Portfolio Limited Recourse Bonds except for the issue date, so that such further issue shall be consolidated and form a single series with the outstanding OptiMix Portfolio Limited Recourse Bonds or (ii) upon such terms and conditions as Timberland Investment may determine at the time of their issue. Timberland Investment may, without the consent of the holder of OptiMix Portfolio Limited Recourse Bonds, issue all types of securities under other compartments set up by it.

10. GOVERNING LAW

OptiMix Portfolio Limited Recourse Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

11. USE OF PROCEEDS

In this section, a reference to a "Fund Share" is a reference to a share of one or more of the thirty-one (31) series of Fund Shares eligible for investment by Timberland Investment the descriptions of which are set out in section entitled "*Description of the Fund Shares*".

Timberland Investment invests the net issue proceeds (less certain applicable deductions) of the OptiMix Portfolio Limited Recourse Bonds into a selection of different series of Fund Shares that fulfil one or more of the following criteria (the **Basic Criteria**):

- (A) the Fund Shares are denominated in a currency other than Euro; or
- (B) according to the balance sheet of the relevant fund issuing the Fund Shares, as set out in the latest publicly available annual audited report or semi-annual unaudited report of such Fund at the date of the relevant purchase, cash and other assets denominated in a currency other than Euro constitute thirty (30) per cent. or more of the total net asset value of such Fund.

Any time that fewer than fifteen (15) series of Fund Shares fulfil one of the Basic Criteria, the threshold of thirty (30) per cent. referred to in paragraph (B) shall be reduced by five (5) per cent. to twenty-five (25) per cent. and further (if necessary, until it becomes equal to zero (0) per cent.) (the **Temporary Criteria**) until a minimum of fifteen (15) series of Fund Shares qualify to be included in the OptiMix Portfolio. Any and all series of Fund Shares eligible for inclusion in the OptiMix Portfolio are collectively referred to herein as **Eligible Fund Shares**. An updated list of Eligible Funds is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks, together with the updated list of the Preselected Eligible Fund Shares (as defined below). Such information is available free of charge, subject to prior registration, on the website.

One or more series of Fund Shares included in the OptiMix Portfolio may occasionally be removed from the OptiMix Portfolio and replaced by one or more different series of Eligible Fund Shares if its characteristics no longer correspond to the investment profile of the OptiMix Portfolio.

Once a minimum of fifteen (15) series of Eligible Fund Shares is reached, the Basic Criteria shall apply again and if a series of Fund Shares that has not previously qualified as Eligible Fund Shares fulfils one of them, it shall replace the series of Eligible Fund Shares which has qualified by meeting the lowest temporary threshold in regard to the Temporary Criteria. The relevant replacement will affect future investments only as from the date when the updated list of Eligible Fund Shares is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto).

At any given time, Timberland Investment is entitled to invest in up to fifteen (15) preselected series of Eligible Fund Shares out of the total of fifteen (15) or more series of Eligible Funds Shares (the **Preselected Eligible Fund Shares**). For the avoidance of doubt, the OptiMix Portfolio Compartment can hold any amount of cash and adjust the selection and composition (including but not limited to the percentage holding) of the different series of Eligible Fund Shares as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion.

A list of the Preselected Eligible Fund Shares is updated from time to time, especially but not limited to, every four (4) to six (6) weeks and can be viewed, together with the date of the upcoming update, on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto). Such information is available free of charge, subject to prior registration, on the website.

All Eligible Fund Shares subscribed for or otherwise acquired by Timberland Investment acting in respect of the OptiMix Portfolio Compartment form part of a separate investment portfolio of Timberland Investment (the **OptiMix Portfolio**) and are allocated to the OptiMix Portfolio Compartment. The current composition of the OptiMix Portfolio is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration, on the website.

A series of Fund Shares already included in the OptiMix Portfolio that has ceased to meet one of the Basic Criteria or the Temporary Criteria (as applicable) may, but is not required to, be removed from the OptiMix Portfolio. However, no additional Fund Shares of such series will be subscribed for or otherwise acquired by Timberland Investment using the net issue proceeds of the OptiMix Portfolio Limited Recourse Bonds unless and until the relevant series of Fund Shares qualifies again as Eligible Fund Shares. Notwithstanding the foregoing, Timberland Investment may, but is not required to, remove from the OptiMix Portfolio a series of Eligible Fund Shares and replace it by a different series of Eligible Fund Shares if its characteristics no longer correspond to the investment profile of the OptiMix Portfolio.

DESCRIPTION OF THE TOP-10 PORTFOLIO LIMITED RECOURSE BONDS

Timberland Investment acting in respect of its Top-10 Portfolio Compartment (as defined below) may issue one or more series of 2018 and future Top-10 Portfolio Limited Recourse Bonds (the **Top-10 Portfolio Limited Recourse Bonds**) on an ongoing basis subject to investor demand. The Top-10 Portfolio Limited Recourse Bonds have not been approved or recommended by any Luxembourg or foreign authority or securities commission. The Top-10 Portfolio Limited Recourse Bonds will not be offered to the public or admitted to trading and listed on any regulated market or on any alternative market. The Top-10 Portfolio Limited Recourse Bonds will be integrally subscribed by the Issuer.

1. TOP-10 PORTFOLIO COMPARTMENT

A separate compartment (within the meaning given to such term in Articles 62 et seq. of the Securitisation Act 2004) called "Top-10 Portfolio Compartment" was created by the Board on 10 July 2015 (the **Top-10 Portfolio Compartment**). The Top-10 Portfolio Compartment constitutes a separate part of Timberland Investment's assets and liabilities. The assets allocated to the Top-10 Portfolio Compartment are in principle exclusively available to satisfy the rights of holders of the Top-10 Portfolio Limited Recourse Bonds, the rights of the holders of any other series of bonds issued by Timberland Investment under the Top-10 Portfolio Compartment and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Top-10 Portfolio Compartment, as contemplated by the Timberland Investment Articles. The Top-10 Portfolio Compartment (comprising the Top-10 Portfolio (as defined below)) is governed by Luxembourg law.

2. FORM AND DENOMINATION

Top-10 Portfolio Limited Recourse Bonds are issued in registered form only and have a nominal value of EUR 0.01 (one cent) each. Top-10 Portfolio Limited Recourse Bond may be issued in any integral multiple of such nominal value.

3. TRANSFER AND TITLE

- (a) Title to Top-10 Portfolio Limited Recourse Bonds passes only by registration in the register of holders of Top-10 Portfolio Limited Recourse Bonds kept by Timberland Investment at its registered office. Ownership in respect of the Top-10 Portfolio Limited Recourse Bonds is established by the registration in such register.
- (b) The holding of Top-10 Portfolio Limited Recourse Bonds may be transferred in whole but not in part in order that there shall at all times be only one holder of all outstanding Top-10 Portfolio Limited Recourse Bonds.

4. NO MATURITY

The Top-10 Portfolio Limited Recourse Bonds do not have a stated maturity date.

5. STATUS AND RANKING

Top-10 Portfolio Limited Recourse Bonds constitute direct, unsecured limited recourse obligations of Timberland Investment and rank pari passu and rateably, without any preference among themselves, with all other existing direct unsecured limited recourse pass through indebtedness of Timberland Investment, which has been or will be allocated to the Top-10 Portfolio Compartment but, in the event of insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), only to the extent permitted by applicable laws relating to creditors' rights generally.

6. INTEREST / COUPON

No interest or coupon is payable in respect of Top-10 Portfolio Limited Recourse Bonds.

7. REDEMPTION RIGHTS

- (a) Top-10 Portfolio Limited Recourse Bonds are redeemable at the Redemption Amount. The **Redemption Amount**
- (i) will depend on the value of such portion of assets allocated to the Top-10 Portfolio Compartment (the **Top-10 Portfolio Compartment Assets**, which are composed of the respective Compartment Assets (as defined above)) as corresponds to the number of the outstanding Top-10 Portfolio Limited Recourse Bonds to be redeemed; and
 - (ii) will be equal to the sum of (A) the relevant portion of the Top-10 Portfolio Compartment Assets already held in the form of cash and (B) the amount received by Timberland Investment in connection with the redemption, disposal or enforcement (as applicable) of the relevant portion of the non-cash Top-10 Portfolio Compartment Assets minus any unpaid costs.
- (b) Unless previously purchased and cancelled, the Top-10 Portfolio Limited Recourse Bonds will be redeemed at the Redemption Amount by Timberland Investment. In limited circumstances, such as when the obligations of Timberland Investment arising under, or in connection with, the Top-10 Portfolio Limited Recourse Bonds become, in the opinion and at the discretion of Timberland Investment, unreasonably burdensome, Timberland Investment may redeem (in whole but not in part) the Top-10 Portfolio Limited Recourse Bonds.
- (c) Without prejudice to its right of redemption in connection with an event of default (as provided for in the terms and conditions of Top-10 Portfolio Limited Recourse Bonds), the holder of Top-10 Portfolio Limited Recourse Bonds may request the redemption of all or part of the bonds held by it any time.

8. COSTS

From of the issue proceeds of the Top-10 Portfolio Limited Recourse Bonds an amount will be set aside and recorded by Timberland Investment in a separate ledger (the **Cash Ledger**) to be used for the payment of (i) costs and expenses incurred by Timberland Investment in connection with, and relating to, the Top-10 Portfolio Limited Recourse Bonds and the Top-10 Portfolio Compartment or (ii) the relevant proportion of general costs of Timberland Investment allocated to the Top-10 Portfolio Compartment in accordance with the Timberland Investment Articles and (iii) any costs and expenses incurred, paid and/or agreed on by the Top-10 Portfolio Limited Recourse Bonds and/or the Bonds Portfolio Compartment whereby (i-iii) relates to any costs and expenses (such as but not limited to advertising) which are or will be incurred, paid and/or agreed on by/with Timberland Securities SPC and its relevant portfolio(s) and/or the Arranger and/or the Distribution Agent(s), due to the Top-10 Portfolio Limited Recourse Bonds its interest and the Top-10 Portfolio Compartment's interest in the distribution of Notes of Timberland Securities SPC and its relevant portfolio(s) to increase proceeds from the issue of its Top-10 Portfolio Limited Recourse Bonds. Timberland Investment may determine the amount of the Cash Ledger at its sole discretion.

Costs and expenses incurred by Timberland Investment in connection with the Top-10 Portfolio Compartment include especially, but not limited to, the Advisory Fee, the Arranging Fee of the 2018 Top-10 Portfolio Limited Recourse Bonds and the Arranging Fee(s) of further future issued Precious Top-10 Limited Recourse Bonds (together the **Arranging Fees**) and the Arranger Prefunded Amounts (as defined below).

Advisory Fee means the amount calculated by the Calculation Agent at the end of each calendar month using the fair value principle and payable by Timberland Investment to The Investment Advisor (Timberland Fund Management Ltd. or any other applicable Investment Advisor or any successor or replacement thereto) in respect of the Top-10 Portfolio Compartment, which shall be equal to the sum of

(A) the higher of:

the sum of

- (i) 0.07916 per cent. per month of the tranche of the Adjusted Net Asset Value (as defined below) below EUR 25,000,000; and
- (ii) 0.07083 per cent. per month of the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000; and
- (iii) 0.0625 per cent. per month of the tranche of the Adjusted Net Asset Value above EUR 50,000,000

or

the amount of EUR 2,500 per month during the year 2018 or EUR 4,000 per month during the year 2019 and all subsequent years;

and

(B) the sum of:

- (i) for the tranche of the Adjusted Net Asset Value below EUR 25,000,000, a performance-based amount equal to 12.5 per cent. of the Net Increase of the NAV (as defined below); and
- (ii) for the tranche of the Adjusted Net Asset Value between EUR 25,000,000 and EUR 50,000,000, a performance-based amount equal to 10 per cent. of the Net Increase of the NAV; and
- (iii) for the tranche of the Adjusted Net Asset Value above EUR 50,000,000 a performance-based amount equal to 7.5 per cent. of the Net Increase of the NAV

(C) increased for (A) and (B) by the amount of VAT (as far as VAT is payable in respect of such performance-based amount in Luxembourg), where:

Adjusted Net Asset Value means the net value of the Top-10 Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP (LUX GAAP) (historical costs less durable impairments) or International Financial Reporting Standards (IFRS) as the accounting principles applicable to Timberland Investment and its compartments) and reduced by, if applicable, the net value of the assets invested in Timberland Funds SPC or Timberland Funds II SPC and its relevant Segregated Portfolio(s).

Arranging Fee means (especially but not limited to any series of R2- and R6-Top-10 Portfolio Limited Recourse Bonds, and any series of B2-Top-10 Portfolio Limited Recourse Bonds and any future series of Top-10 Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series) an amount calculated by the Calculation Agent and payable by Timberland Investment to Timberland Securities Investment plc in respect of the Top-10 Portfolio Compartment, which shall be equal to the amount of up to EUR 1,950,000 per series of Notes issued by the Top-10 Portfolio Compartment increased by the amount of VAT (as far as VAT is payable in respect of such amount in Luxembourg or elsewhere). The emergence of the claim of a partial amount in regard to the Arranging Fee is bound to, arises and falls due according to the ongoing issued and distributed

relevant Top-10 Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranging Fees to EUR 0.00.

Arranger Prefunded Amounts means all amounts, fees and costs relating to, among other things, the structure set-up, the creation, operation or liquidation of the Top-10 Portfolio Compartment and the issue or the redemption of the Top-10 Portfolio Limited Recourse Bonds that have been prefunded by the (sub-) Arranger(s) and related parties (in case such prefunded Amounts have been assigned to the (sub-) Arranger(s)) from time to time and have to be repaid by Timberland Investment to the (sub-) Arranger(s). The emergence of the claim of a partial amount in regard to the Arranger Prefunded Amounts is bound to, arises and falls due according to the ongoing issued and distributed relevant Top-10 Portfolio Limited Recourse Bonds as a suspensive as well as repealing condition and are payable upfront where they are rendered for a period of time. The Arranger has the sole and absolute discretion to lower the Arranger Prefunded Amounts to EUR 0.00.

Net Asset Value means the net value of the Top-10 Portfolio Compartment calculated by the Calculation Agent using the fair value principle (that is, independently of the principles of Luxembourg GAAP (LUX GAAP), especially but not limited to historical costs less durable impairments, or International Financial Reporting Standards (IFRS) as the accounting principles applicable to Timberland Investment and its compartments). The Calculation Agent can hereby at its sole discretion independently from the accounting under LUX GAAP or IFRS as the accounting principles applicable to Timberland Investment and its compartments (or its successor) in regard to the calculation of the Net Asset Value of the Top-10 Portfolio Limited Recourse Bonds and for the determination of the issuing price and/or the redemption price of any series of Top-10 Portfolio Limited Recourse Bonds (especially but not limited to any series of R2- and R6-Top-10 Portfolio Limited Recourse Bonds, and any series of B2 Top-10 Portfolio Limited Recourse Bonds and any future series of Top-10 Portfolio Limited Recourse Bonds, especially but not limited to the 2018-series), calculate such amounts, fees and costs to be amortised for the purpose of the calculation of the issuing and/or redemption price of the relevant series of Top-10 Portfolio Limited Recourse Bonds by the amount of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) less accumulated depreciation for a period of up to seven (7) years plus the remaining days of the current calendar year, where the depreciation is in accordance with the useful economical life of such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts) of up to seven (7) years plus the remaining days of the current calendar year and accordingly its linear amortization rate. The calculation may be independently of (i) the related origination of these costs and (ii) when they are due for payments and (iii) of the cash-flow in regard to any such amounts, fees and costs (including as applicable arranging fees and arranger prefunded amounts).

Net Increase of the NAV means the positive difference between (i) the Adjusted Net Asset Value at the end of a given calendar month (the **Relevant Month**) of the Top-10 Portfolio Compartment compared at the end of the Relevant Month to (ii) the Adjusted Net Asset Value at the end of the immediately preceding calendar month of the Top-10 Portfolio Compartment, adjusted by (a) the Cash Inflows at the end of the Relevant Months and (b) the Cash Outflows at the end of the Relevant Month, where:

- (a) **Cash Inflows** means the aggregate amount received by Timberland Investment from the Issuer in the Relevant Month as consideration for the Top-10 Portfolio Limited Recourse Bonds; and
- (b) **Cash Outflows** means the aggregate amount paid by Timberland Investment to the Issuer in the Relevant Month in order to redeem (if applicable) the Top-10 Portfolio Limited Recourse Bonds.
 - (i) If no amount under (B) is due during one business year (which may change from time to time), the basis for the subsequent determination of the Net Increase of the NAV will be the last Adjusted Net Asset Value of the ended fiscal year.

- (ii) The amount under (B) is due at the end of each Relevant Month.

9. FURTHER ISSUES

Timberland Investment may from time to time, without the consent of the holder of Top-10 Portfolio Limited Recourse Bonds, create and issue under the Top-10 Portfolio Compartment further bonds (i) having the same terms and conditions in all respects as the outstanding Top-10 Portfolio Limited Recourse Bonds except for the issue date, so that such further issue shall be consolidated and form a single series with the outstanding Top-10 Portfolio Limited Recourse Bonds or (ii) upon such terms and conditions as Timberland Investment may determine at the time of their issue. Timberland Investment may, without the consent of the holder of Top-10 Portfolio Limited Recourse Bonds, issue all types of securities under other compartments set up by it.

10. GOVERNING LAW

Top-10 Portfolio Limited Recourse Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

11. USE OF PROCEEDS

In this section, a reference to a "Fund Share" is a reference to a share of one or more of the thirty-one (31) series of Fund Shares eligible for investment by Timberland Investment the descriptions of which are set out in section entitled "*Description of the Fund Shares*". For the avoidance of doubt, the Top-10 Portfolio Compartment can hold any amount of cash and adjust the selection and composition (including but not limited to the percentage holding) of the different series of Fund shares as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion.

At any given time, Timberland Investment is entitled to invest the net issue proceeds (less certain applicable deductions) of the Top-10 Portfolio Limited Recourse Bonds into a selection of up to including ten (10) different Fund Shares (and its different share classes (*Anteilsklassen*), which is initially composed of the following Fund Shares:

Acatis Aktien Global Fonds UI

Carmignac Investissement

DJE Dividende & Substanz

DWS Top-Dividende

Flossbach von Storch – Global Equity

Franklin Templeton Global Fund A

and four (4) additional different series of Fund Shares as Timberland Investment or the Investment Advisor considers appropriate at its sole discretion

One or more series of Fund Shares included in the Top-10 Portfolio may occasionally be removed from the Top-10 Portfolio and replaced by one or more different series of Fund Shares.

Any and all series of Fund Shares included in the Top-10 Portfolio are collectively referred to herein as **Eligible Fund Shares**. An updated list of Eligible Funds is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration, on the website.

All Eligible Fund Shares subscribed for or otherwise acquired by Timberland Investment acting in respect of the Top-10 Portfolio Compartment form part of a separate investment portfolio of Timberland Investment (the **Top-10 Portfolio**) and are allocated to the Top-10 Portfolio Compartment. The current composition of the Top-10 Portfolio is published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto) from time to time, especially but not limited to, every four (4) to six (6) weeks. Such information is available free of charge, subject to prior registration, on the website.

DESCRIPTION OF THE FUND SHARES

ALL REFERENCES TO THE WEBSITES WHERE THE FUND PROSPECTUSES RELATING TO THE FUNDS MAY BE DOWNLOADED CONTAINED IN THIS SECTION ENTITLED "*DESCRIPTION OF THE FUND SHARES*" HAVE BEEN INCLUDED FOR EASE OF REFERENCE AND INVESTOR INFORMATION ONLY. PLEASE NOTE THAT SUCH FUND PROSPECTUSES ARE NOT INCORPORATED BY REFERENCE IN, AND DO NOT FORM AN INTEGRAL PART OF, THIS BASE PROSPECTUS. DURING THE LIFETIME OF THIS PROSPECTUS, THE WEBSITE STRUCTURES MAY BE VARIED WITH RESPECT TO THE VARIOUS FUND DOWNLOADS BY THE RELEVANT PROVIDER, THUS, THE LISTED DOWNLOAD LINKS MAY MISLEAD WHEN ACTIVATED.

ACATIS AKTIEN GLOBAL FONDS UI

The fund prospectus (the **ACATIS Fund Prospectus**) of ACATIS Aktien Global Fonds UI (**ACATIS AG-UI**) (<http://www.acatis.de/de/investment-funds/>) contains a detailed description of **ACATIS AG-UI**.

All capitalised terms in this description of ACATIS AG-UI which are not otherwise defined herein have the same meaning as in the ACATIS Fund Prospectus.

1. ACATIS AKTIEN GLOBAL FONDS UI

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A:	Class B:	Class C:
ISIN: DE0009781740	ISIN: DE000A0HF4S5	ISIN: DE000A0YBNM4
WKN: 978174	WKN: A0HF4S	WKN: A0YBNM

The above displayed classes of securities (*Anteilsklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(c) Description of the securities:

The ACATIS AG-UI securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(d) Frequency of the publication of the price of the securities:

The price of the ACATIS AG-UI securities is regularly published on the webpage of the management company (<http://www.universal-investment.de>).

2. INVESTMENT POLICY

ACATIS AG-UI invests mainly in companies that have been chosen based upon traditional stock analysis (fundamental "bottom-up" analysis of individual stocks). The selection adheres to classical shareholder value aspects. ACATIS AG-UI invests in companies that are undervalued according to at least one of the following criteria: undervalued net asset value, high earnings power (that is not reflected in the stock price), above-average dividend yield, neglected industries or countries, overrated crises.

Important factors in making a decision are the transparency of the target company's accounting and its corporate governance. A pre-selection of stocks is made through quantitative screening. The decision to buy is then made after a thorough analysis of the available information on each company.

In 2013, the management of ACATIS AG-UI continued to put strong emphasis on the industries of health care, information technology, energy and insurance. The management of ACATIS AG-UI mainly invests in companies that are in a transformation or due to valuation models are highly undervalued.

3. INVESTMENT RESTRICTIONS

ACATIS AG-UI is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where ACATIS AG-UI is located.

The relevant criteria and restrictions applicable to ACATIS AG-UI relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- securitised financial instruments;
- covered bonds;
- bank deposits;
- derivative financial instruments; and
- securities lending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, ACATIS AG-UI is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

ACATIS AG-UI is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in ACATIS AG-UI exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, ACATIS AG-UI may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of ACATIS AG-UI considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of ACATIS AG-UI is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- the liquidity of the assets invested in;
- concentration risks;
- credit risk;

- the use of derivative financial instruments;
- taxation;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Universal-Investment-Gesellschaft mbH Theodor-Heuss-Allee 70 60486 Frankfurt am Main Federal Republic of Germany
Assets under management	EUR 282,785,082.52 as of 30 June 2018
Management company	Universal-Investment-Gesellschaft mbH
Investment advisor	ACATIS Investment GmbH
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	31 December
Custodian	Hauck & Aufhäuser Privatbankiers AG Kaiserstraße 24 60311 Frankfurt am Main Federal Republic of Germany

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Universal-Investment-Gesellschaft mbH
Theodor-Heuss-Allee 70
60486 Frankfurt am Main
Federal Republic of Germany

The remuneration of the fund manager of ACATIS AG-UI is equal to

- (currently) 0.75 per cent. p.a. in case of class A securities;
- (currently) 0.265 per cent. p.a. in case of class B securities;
- (currently) 0.265 per cent. p.a. in case of class C securities,

based on the net assets of ACATIS AG-UI (and calculated in accordance with the calculation methods stipulated in the ACATIS Fund Prospectus).

7. ADDRESS OF INVESTMENT ADVISOR AND REMUNERATION

ACATIS Investment GmbH
mainBuilding, Taunus Anlage 18

60325 Frankfurt am Main
Federal Republic of Germany

The remuneration of the investment advisor to the management company of ACATIS AG-UI is equal to

- (currently) 0.60 per cent. p.a. in case of class A securities;
- (currently) 0.45 per cent. p.a. in case of class B securities;
- (currently) 0.45 per cent. p.a. in case of class C securities,

based on the net assets of ACATIS AG-UI and a performance-based fee of up to 10.00 per cent. of the return achieved by ACATIS AG-UI in the relevant accounting period above the reference value (MSCI World® GDR (EUR)) (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the ACATIS Fund Prospectus).

8. STATUTORY AUDITOR

KPMG AG Wirtschaftsprüfungsgesellschaft
THE SQUAIRE
Am Flughafen
60549 Frankfurt am Main
Federal Republic of Germany

9. FINANCIAL INFORMATION

Financial information in respect of ACATIS AG-UI may be accessed on www.acatis.de.

10. ADDITIONAL INFORMATION

Any additional information in respect of ACATIS AG-UI may be accessed on www.acatis.de.

BL GLOBAL EQUITIES

The fund prospectus (the **BL Fund Prospectus**) of BL, *Société d'investissement à capital variable (BL)* (<http://www.banquedeluxembourg.com/de/bank/corporate/fondsdetails?fundId=1287012000&isin=LU0117287580&tag=LU0117287580&fundname=BL%20Global%20Equities>) contains a detailed description of BL and its sub-fund BL Global Equities (**BLGE**).

All capitalised terms in this description of BL and BLGE which are not otherwise defined herein have the same meaning as in the BL Fund Prospectus.

1. BL - GLOBAL EQUITIES

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A: ISIN: LU0439764787 WKN: A0X9BG	Class B: ISIN: LU0117287580 WKN: 577995	Class AR: ISIN: LU0495655002 WKN: A1CU94	Class BR: ISIN: LU0495655341 WKN: A1CU95
Class BI: ISIN: LU0439765164 WKN: A0X9BL	Class AM: ISIN: LU1484140683 WKN: A2ARAH	Class BM: ISIN: LU1484140766 WKN: A2ARAJ	

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The BLGE securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The net asset value of BLGE is regularly published on every bank business day in Luxembourg at the registered office of BL. The division of the net asset value of BLGE by the number of BLGE securities equals the price of the BLGE securities.

2. INVESTMENT POLICY

The investment policy of BLGE is to achieve capital gains over the long term.

BLGE invests a minimum of two-thirds of its net assets in equities, without geographical, sectorial or monetary limitation. Companies are chosen on the basis of their fundamentals and their stock market valuation.

With a view to achieving its investment objective and in accordance with the provisions of Chapters 5 and 6 of the BL Fund Prospectus, BLGE may invest up to 10 per cent. of its net assets in UCITS and other undertakings in collective investments (**UCIs**).

In order to invest its cash and in accordance with the provisions of Chapters 5 and 6 of the BL Fund Prospectus, BLGE may also invest up to a maximum of one-third of its net assets in:

- money-market instruments;
- money-market UCIs or UCIs investing in debt securities with a final or residual maturity of no more than 12 months, taking into account the underlying financial instruments, and debt securities whose interest rate is adjusted at least once per year, taking into account the related instruments.

BLGE may also invest in derivative products and instruments (such as stock index futures, forward exchanges and options traded on regulated markets) for the purposes of hedging or optimising portfolio exposure.

3. INVESTMENT RESTRICTIONS

BL is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where BL is located.

The relevant criteria and restrictions applicable to BLGE relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;
- derivative financial instruments; and
- borrowings, loans and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, BLGE is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

BLGE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in BLGE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, BLGE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of BLGE considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of BLGE is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors, which give rise to both opportunities and risks:

- developments in the equity markets;

- developments in emerging markets; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	BL, <i>Société d'investissement à capital variable</i> 14, boulevard Royal 2449 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 273,100,000 as of 31 August 2018
Management company	Banque de Luxembourg Investments S.A.
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Luxembourg
Fiscal year end	30 September of each year
Custodian	Banque de Luxembourg S.A. 14, boulevard Royal 2449 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Banque de Luxembourg Investments S.A.
16, boulevard Royal
2449 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of BLGE is equal to

- a maximum of up to 1.25 per cent. p.a. in case of class A and class B securities;
- a maximum of up to 0.85 per cent. p.a. in case of class AM and class BM securities;
- a maximum of up to 1.50 per cent. p.a. in case of class AR and class BR securities;
- a maximum of up to 0.60 per cent. p.a. in case of class AR and class BR securities,

based on the net assets of BLGE (and calculated in accordance with the calculation methods stipulated in the BL Fund Prospectus).

7. STATUTORY AUDITOR

KPMG Luxembourg, *Société coopérative*
39 Avenue John F Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

8. FINANCIAL INFORMATION

Financial information in respect of BLGE may be accessed on <http://www.banquedeluxembourg.com>.

9. ADDITIONAL INFORMATION

Any additional information in respect of BLGE may be accessed on <http://www.banquedeluxembourg.com>.

BNY MELLON GLOBAL OPPORTUNITIES FUND

The fund prospectus (the **BNYM Fund Prospectus**) of BNY Mellon Global Funds, plc (**BNYM**) (<http://www.bnymellon.com>) contains a detailed description of BNYM and its sub-fund BNY Mellon Global Opportunities Fund (**BNYM GOF**).

All capitalised terms in this description of BNYM and BNYM GOF which are not otherwise defined herein have the same meaning as in the BNYM Fund Prospectus.

1. BNY MELLON GLOBAL OPPORTUNITIES FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class USD A:	Class USD B:	Class USD C:	Class USD W (Acc):
ISIN: IE0004086264	ISIN: IE0004091025	ISIN: IE0004094037	ISIN: IE00B97B0317
WKN: 798134	WKN: Not applicable.	WKN: 798136	WKN: Not applicable.

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The BNYM GOF securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which BNYM GOF securities will be repurchased will be based on the net asset value per BNYM GOF securities. The net asset value is made public inter alia at the registered office of the administrator of BNYM and is also available on <http://www.bnymellonam.com>.

The net asset value is published on each business day or such other days as the directors of BNYM may determine provided that all holders of BNYM GOF securities are notified in advance and provided that there shall be at least one valuation day in each week.

2. INVESTMENT POLICY

BNYM GOF will invest primarily, meaning at least two-thirds of BNYM GOF's assets, in a portfolio of equity and equity-related securities (including convertible bonds (usually unrated), convertible preference shares and warrants (subject to a 10 per cent. limit of net asset value of BNYM GOF in the case of warrants) of companies located worldwide which are listed or traded on Recognised Exchanges.

Up to one-third of BNYM GOF's assets may be invested in international sovereign, government, supranational agency, corporate, bank and other bonds (including mortgage and corporate bonds) and other debt and debt-related securities (such as debentures, notes (including corporate, sovereign, floating and fixed rate notes with a minimum term of one year or more) or asset and mortgage backed

securities, certificates of deposit, commercial paper and American and/or global depository receipts) listed or traded on recognised exchanges located worldwide.

The minimum credit rating of the debt and debt-related instruments in which BNYM GOF may invest is BBB- rated by Standard & Poor's Rating Group or if unrated, determined to be of equivalent quality by the investment manager of BNYM GOF.

BNYM GOF is a global fund insofar as its investments are not confined or concentrated in any particular geographic region or market and consequently, short term performance may be volatile. As a consequence an investment in BNYM GOF may involve certain additional risks due to the volatility of its short-term performance.

3. INVESTMENT RESTRICTIONS

BNYM is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where BNYM is located.

The relevant criteria and restrictions applicable to BNYM GOF relate to, among others:

- transferable securities;
- credit ratings of debt and debt-related instruments;
- index tracking UCITS;
- OTC derivative transactions;
- approved money market instruments;
- collective investment schemes;
- deposits; and
- derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, BNYM GOF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

BNYM GOF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in BNYM GOF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, BNYM GOF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of BNYM GOF

considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of BNYM GOF is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- currency and exchange rates;
- political and/or regulatory risks;
- counterparty risks;
- securities lending;
- investments in Russia;
- inflation;
- taxation;
- cancellation risks;
- investment in derivatives;
- liquidity risk;
- emerging markets; and
- credit ratings.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	BNY Mellon Global Funds, plc One Dockland Central Guild Street IFSC Dublin 1 D01E4X0 Republic of Ireland
Assets under management	USD 58,040,000 as at 31 August 2018
Fund manager	BNY Mellon Global Management Limited
Investment manager	Newton Investment Management Limited
Fund currency	USD
Length of life	Unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 December

Custodian	BNY Mellon Trust Company (Ireland) Limited One Dockland Central Guild Street IFSC D01E4X0 Dublin 1 Republic of Ireland
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6. ADDRESS OF FUND MANAGER AND REMUNERATION

BNY Mellon Global Management Limited
33 Sir John Rogerson's Quay
Dublin 2
Republic of Ireland

The remuneration of the fund manager of BNYM GOF is equal to

- 2.00 per cent. p.a. in case of class USD A securities;
- 1.50 per cent. p.a. in case of class USD B securities;
- 1.00 per cent. p.a. in case of class USD C securities;
- 0.75 per cent. p.a. in case of class USD W (Acc) securities,

based on the net assets of BNYM GOF (and calculated in accordance with the calculation methods stipulated in the BNYM Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Newton Investment Management Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA
United Kingdom of Great Britain
and Northern Ireland

The investment manager's fees and expenses will be paid by the fund manager out of its remuneration as described in the section above.

8. AUDITOR

Ernst & Young
EY Building
Harcourt Centre
Harcourt Street
Dublin 2
Republic of Ireland

9. FINANCIAL INFORMATION

Financial information in respect of BNYM GOF may be accessed on <http://www.bnymellonam.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of BNYM GOF may be accessed on <http://www.bnymellonam.com>.

CARMIGNAC INVESTISSEMENT

The fund prospectus (the **Carmignac Fund Prospectus**) Carmignac Investissement, *fonds commun de placement de droit français (Carmignac)* (<http://www.carmignac.com>) contains a detailed description of Carmignac.

All capitalised terms in this description of Carmignac which are not otherwise defined herein have the same meaning as in the Carmignac Fund Prospectus.

1. CARMIGNAC INVESTISSEMENT

1.1 ISIN

The following classes of securities are eligible to invest in:

Class A EUR Acc:	Class A EUR Ydis:	Class E EUR Acc:
ISIN: FR0010148981	ISIN: FR001126918	ISIN: FR0010312660
WKN: A0DP5W	WKN: A1J0KF	WKN: A0QYYN

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The Carmignac securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which Carmignac securities will be redeemed will be based on the net asset value per unit. The net asset value per unit is calculated daily in accordance with the calendar of Euronext Paris, except on public holidays in France. The redemption price of the Carmignac securities is made public on <http://www.carmignac.com>.

2. INVESTMENT POLICY

The objective of Carmignac is to exceed the performance of the global equity index "MSCI AC World NR (USD)" over a minimum investment horizon of 5 years. "MSCI AC World NR (USD)" is an index which represents the international blue chip companies in industrialised countries and emerging markets.

Carmignac is actively managed and invests primarily in international equity securities of global financial centres. In addition, investments in other types of securities may be made. The investment policy of Carmignac is applied without restriction to a particular region, sector, type or volume of values.

The investments and/or weighting of Carmignac consist at least 60 per cent. of the net assets value in shares in companies from the of Euro zone, shares in international companies and shares in emerging markets companies.

3. INVESTMENT RESTRICTIONS

Carmignac is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Carmignac is located.

The relevant criteria and restrictions applicable to Carmignac relate to, among others:

- equity securities and liquid assets;
- debt securities and money market instruments;
- UCITS and other UCIs;
- securities lending; and
- derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, Carmignac is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

Carmignac is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in Carmignac exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, Carmignac may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of Carmignac considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of Carmignac is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- failures to perform by counterparties (OTC financial agreements);
- the fluctuation of the value of equity investments;
- increase of interest rates;
- risks relating to investments in emerging markets;
- risks relating to liquidity; and

- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Carmignac Gestion, <i>Société anonyme</i> 24, Place Vendôme 75001 Paris French Republic
Assets under management	EUR 3,961,000,000 as of 31 August 2018
Management company	Carmignac Gestion, <i>Société anonyme</i>
Fund currency	EUR
Length of life	99 years
Portfolio management location	France
Fiscal year end	The day of the last net asset value in December of each year
Custodian	BNP Paribas Securities Services, <i>Société en commandite par action</i> 9, rue du Débarcadère 93500 Pantin French Republic

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Carmignac Gestion, *Société anonyme*
24, Place Vendôme
75001 Paris
French Republic

The remuneration of the management company of Carmignac is equal to

- 1.50 per cent. p.a. in case of class A EUR Acc securities;
- 1.50 per cent. p.a. in case of class A EUR Ydis securities;
- 2.25 per cent. p.a. in case of class E EUR Acc securities,

based on the net assets of Carmignac and a performance-related fee as set out in the Carmignac Fund Prospectus (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the Carmignac Fund Prospectus).

7. STATUTORY AUDITORS

Cabinet Vizzavona
64, boulevard Maurice Barrès
92200 Neuilly-sur Seine
French Republic

KPMG AUDIT
2, avenue Gambetta

92066 Paris La Défense Cedex
French Republic

8. FINANCIAL INFORMATION

Financial information in respect of Carmignac may be accessed on <http://www.carmignac.com>.

9. ADDITIONAL INFORMATION

Any additional information in respect of Carmignac may be accessed on <http://www.carmignac.com>.

DJE - DIVIDENDE & SUBSTANZ

The fund prospectus (the **DJE Fund Prospectus**) of DJE, *fonds commun de placement (DJE)* (<http://www.dje.lu>) contains a detailed description of DJE and its sub-fund DJE – Dividende & Substanz (**DJE D&S**).

All capitalised terms in this description of DJE and DJE D&S which are not otherwise defined herein have the same meaning as in the DJE Fund Prospectus.

1. DJE - DIVIDENDE & SUBSTANZ

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class P:	Class PA:	Class I:	Class XP:
ISIN: LU0159550150	ISIN: LU0828771344	ISIN: LU0159551042	ISIN: LU0229080733
WKN: 164326	WKN: A1J4B6	WKN: 164326	WKN: A0F567

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The DJE D&S securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The net asset value of DJE D&S is available on every bank business day in Luxembourg at the registered office of the fund manager. The division of the net asset value of DJE D&S by the number of DJE D&S units equals the price of the DJE D&S units.

2. INVESTMENT POLICY

The investment policy of DJE D&S is to achieve reasonable growth whilst taking into account the investment risks.

In addition to or in derogation from article 4 of the management regulations of DJE set out in the DJE Fund Prospectus the provisions in annex 6 of the DJE Fund Prospectus under the heading "Anlagepolitik" (investment policy) shall apply.

In order to achieve the investment objectives, DJE D&S's assets are primarily invested in equity securities which are listed on a stock exchange or equity securities which are traded on a regulated market which operates regularly, is recognised as such and is available to the public.

DJE D&S may also invest its assets in fixed or floating rate securities which are listed on a stock exchange or fixed or floating rate securities which are traded on a regulated market which operates regularly, is recognised as such and is available to the public.

The investment advisor of DJE D&S does the selection of the securities in accordance with the so-called value approach. This is understood to be securities that are fundamentally undervalued and,

as a result, their value having the potential to considerably increase or the securities having an above-average dividend yield in their own market segment.

DJE D&S invests a minimum of two-thirds of its net assets in equities, without geographical, sectorial or monetary limitation. Companies are chosen on the basis of their fundamentals and their stock market valuation.

With a view to achieving its investment objective DJE D&S may invest up to 10 per cent. of its net assets in UCITS and other undertakings in collective investments.

Subject to certain conditions set out in the DJE Fund Prospectus, DJE D&S may also invest in derivative products and instruments (such as futures and options) for the purposes of hedging or optimising portfolio exposure.

3. INVESTMENT RESTRICTIONS

DJE is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where DJE is located.

The relevant criteria and restrictions applicable to DJE D&S relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;
- derivative financial instruments; and
- borrowings, loans and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, DJE D&S is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

DJE D&S is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in DJE D&S exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, DJE D&S may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of DJE D&S considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of DJE D&S is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- counterparty risk;
- the use of derivative financial instruments;
- investments in high yield products;
- investments in real estate investment trusts; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	DJE Investment S.A. 4, rue Thomas Edison 1445 Luxembourg-Strassen Grand Duchy of Luxembourg
Assets under management	EUR as of 1,250,000,000 28 September 2018
Fund manager	DJE Kapital AG
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Luxembourg
Fiscal year end	30 June
Custodian	DZ Privatbank S.A. 4, rue Thomas Edison 1445 Luxembourg-Strassen Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

DJE Investment S.A.
4, rue Thomas Edison
1445 Luxembourg-Strassen
Grand Duchy of Luxembourg

The remuneration of the management company of D&S is equal to

- a maximum of up to 1.32 per cent. p.a. in case of class P securities;

- a maximum of up to 1.32 per cent. p.a. in case of class PA securities;
- a maximum of up to 1.07 per cent. p.a. in case of class I securities;
- a maximum of up to 0.30 per cent. p.a. in case of class XP securities,

based on of the net assets value of DJE D&S (and calculated in accordance with the calculation methods stipulated in the DJE Fund Prospectus) and a monthly flat rate of EUR 500.

7. ADDRESS OF FUND MANAGER AND REMUNERATION

DJE Kapital AG
Pullacher Straße 24
82049 Pullach
Federal Republic of Germany

The fund manager of DJE D&S is entitled to a fee of up to 0.18 per cent., based on the net assets of DJE D&S (and calculated in accordance with the calculation methods stipulated in the DJE Fund Prospectus).

8. STATUTORY AUDITOR

Deloitte Audit S.à r.l.
560, rue de Neudorf
2220 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of DJE D&S may be accessed on <http://www.dje.lu/>.

10. ADDITIONAL INFORMATION

Any additional information in respect of DJE D&S may be accessed on <http://www.dje.lu/>.

DEUTSCHE INVEST I TOP ASIA

The fund prospectus (the **Deutsche Invest I TA Fund Prospectus**) of Deutsche Invest I, *Société d'investissement à capital variable (DWS Invest I)* (<https://www.dws.de/Produkte/Fonds/760/Downloads>) contains a detailed description of Deutsche Invest I and its sub-fund Deutsche Invest I Top Asia (**Deutsche Invest I TA**).

All capitalised terms in this description of DWS Invest I and Deutsche Invest I TA which are not otherwise defined herein have the same meaning as in the Deutsche Invest I TA Fund Prospectus.

1. DEUTSCHE INVEST I TOP ASIA

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class LC:	Class LD:	Class NC:	Class FC:
ISIN: LU0145648290	ISIN: LU0145648456	ISIN: LU0145648886	ISIN: LU0145649181
WKN: 552521	WKN: 552522	WKN: 552523	WKN: 552524
Class TFC:	Class TFD:		
ISIN: LU1663946868	ISIN: LU1663948211		
WKN: DWS2RN	WKN: DWS2RP		

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The Deutsche Invest I TA securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

Information not available in the Deutsche Invest I TA Fund Prospect.

2. INVESTMENT POLICY

The objective of the investment policy of Deutsche Invest I TA is to achieve an appreciation as high as possible of capital invested in Euros. At least 70 per cent. of Deutsche Invest I TA's assets are invested in equities of companies having their registered offices or principal business activity in Asia. A company is viewed as having its principal business activity in Asia if the greatest part of its earnings or revenues is generated there. Considered as Asian issuers are companies having their registered offices or principal business activity in Hong Kong, India, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand and the People's Republic of China.

3. INVESTMENT RESTRICTIONS

DWS Invest I is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS"

of Directive 2009/65/EC, as implemented by the national law of the Member State where DWS Invest I is located.

The relevant criteria and restrictions applicable to Deutsche Invest I TA relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- encumbrance of DWS TA's assets;
- swaps, credit default swaps and securitised financial instruments;
- repurchase agreements;
- OTC derivatives; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to its composition and the techniques applied by its fund management, Deutsche Invest I TA is subject to increased volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

Deutsche Invest I TA is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in Deutsche Invest I TA exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, Deutsche Invest I TA may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of Deutsche Invest I TA considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of Deutsche Invest I TA is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- credit risk;
- currency risk;
- investing in Asia;
- the acquisition of units in UCIs;
- legal and tax risk;
- the use of derivative financial instruments;

- the use of securities lending transactions and repurchase agreements; and
- liquidity risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Deutsche Invest I, <i>Société d'investissement à capital variable</i> 2, boulevard Konrad Adenauer 1115 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 303,600,000 as of 31 August 2018
Management company	Deutsche Asset Management S.A.
Fund manager	Deutsche Asset Management Investment GmbH
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany and Great Britain
Fiscal year end	30 December
Custodian	State Street Bank Luxembourg S.C.A. 49, avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Deutsche Asset Management S.A.
2, boulevard Konrad Adenauer
1115 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of Deutsche Invest I TA is equal to

- a maximum of up to 1.50 per cent. p.a. in case of class LC securities;
- a maximum of up to 1.50 per cent. p.a. in case of class LD securities;
- a maximum of up to 2.00 per cent. p.a. in case of class NC securities;
- a maximum of up to 0.75 per cent. p.a. in case of class FC securities;
- a maximum of up to 0.75 per cent. p.a. in case of class TFC securities;
- a maximum of up to 0.75 per cent. p.a. in case of class TFD securities,

based on the net assets value of Deutsche Invest I TA (and calculated in accordance with the calculation methods stipulated in the Deutsche Invest I TA Fund Prospectus).

7. ADDRESS OF FUND MANAGERS AND REMUNERATION

Deutsche Asset Management Investment GmbH
Mainzer Landstraße 11-17
60329 Frankfurt am Main
Federal Republic of Germany

The remuneration of the fund managers of Deutsche Invest I TA is paid out of the all-in fee of the management company of Deutsche Invest I TA.

8. STATUTORY AUDITOR

KPMG Luxembourg, *Société coopérative*
39, Avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of Deutsche Invest I TA may be accessed on <http://www.dws.lu>.

10. ADDITIONAL INFORMATION

Any additional information in respect of Deutsche Invest I TA may be accessed on <http://www.dws.lu>.

DWS GLOBAL VALUE

The fund prospectus (the **DWS GV Fund Prospectus**) of DWS Global Value, *fonds commun de placement (DWS GV)* (<https://funds.deutscheawm.com/lu/Products/Funds/625/Downloads>) contains a detailed description of DWS GV.

All capitalised terms in this description of DWS GV which are not otherwise defined herein have the same meaning as in the DWS GV Fund Prospectus.

1. DWS GLOBAL VALUE

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class LD:	Class FD:	Class ID:	Class SC:
ISIN: LU0133414606	ISIN: LU1057897933	ISIN: LU1057898071	ISIN: LU1057898238
WKN: 939853	WKN: DWS13S	WKN: DWS13T	WKN: DWS13V
Class TFD:			
ISIN: LU1673816184			
WKN: DWS2SJ			

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The DWS GV securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price on which the DWS GV securities are issued or redeemed are based on the net asset value of the DWS GV securities and is published on www.dws.lu on every bank business day.

2. INVESTMENT POLICY

The objective of the investment policy of DWS GV is to generate a return in Euro. DWS GV's assets are invested primarily in equities, equity certificates, convertible bonds, convertible debentures and warrant-linked bonds, as well as in participation and dividend-right certificates considered by the management company to be undervalued, top-quality stocks, or "value stocks." Care is taken to ensure an international spread. Value stocks are those whose market price is underpinned by appropriate company fundamentals.

Positions may also be established which anticipate declines in equities or indices.

3. INVESTMENT RESTRICTIONS

DWS GV is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities

(UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where DWS GV is located.

The relevant criteria and restrictions applicable to DWS GV relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- encumbrance of DWS GV's assets;
- swaps, credit default swaps and securitised financial instruments;
- repurchase agreements;
- OTC derivatives; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to its composition and the techniques applied by its fund management, DWS GV is subject to increased volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

DWS GV is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in DWS GV exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, DWS GV may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of DWS GV considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of DWS GV is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- credit risk;
- currency risk;
- the acquisition of units in UCIs;
- legal and tax risk;
- the use of derivative financial instruments;
- the use of securities lending transactions and repurchase agreements; and

- liquidity risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	DWS Investment S.A. 2, boulevard Konrad Adenauer 1115 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 944,900,000 as of 31 August 2018
Management company	DWS Investment S.A.
Fund manager	Deutsche Asset Management Investment GmbH
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	31 March
Custodian	State Street Bank Luxembourg S.C.A. 49, avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

DWS Investment S.A.
2, boulevard Konrad Adenauer
1115 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of DWS GV is equal to

- a maximum of up to 1.45 per cent. p.a. in case of class LD securities;
- a maximum of up to 0.90 per cent. p.a. in case of class FD securities;
- a maximum of up to 0.60 per cent. p.a. in case of class ID securities;
- a maximum of up to 0.80 per cent. p.a. in case of class SC securities;
- a maximum of up to 0.80 per cent. p.a. in case of class TFD securities,

based on the net assets of DWS GV (and calculated in accordance with the calculation methods stipulated in the DWS GV Fund Prospectus).

7. ADDRESS OF FUND MANAGER AND REMUNERATION

Deutsche Asset Management Investment GmbH
Mainzer Landstraße 11-17
60329 Frankfurt am Main
Federal Republic of Germany

The remuneration of the fund manager of DWS GV is paid out of the all-in fee of the management company of DWS GV.

8. STATUTORY AUDITOR

KPMG Luxembourg, *Société coopérative*
39, Avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of DWS GV may be accessed on <http://www.dws.lu>.

10. ADDITIONAL INFORMATION

Any additional information in respect of DWS GV may be accessed on <http://www.dws.lu>.

DWS TOP DIVIDENDE

The fund prospectus (the **DWS TD Fund Prospectus**) of DWS Top Dividende (**DWS TD**) (<http://www.dws.lu>) contains a detailed description of DWS TD.

All capitalised terms in this description of DWS TD which are not otherwise defined herein have the same meaning as in the DWS TD Fund Prospectus.

1. DWS TOP DIVIDENDE

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class LD: ISIN: DE0009848119 WKN: 984811	Class LC: ISIN: DE000DWS1U90 WKN: DWS1U9	Class FC: ISIN: DE000DWS18Q3 WKN: DWS18Q	Class FD: ISIN: DE000DWS1VB9 WKN: DWS1VB
Class LDQ: ISIN: DE000DWS18N0 WKN: DWS18N	Class FDQ: ISIN: DE000DWS18P5 WKN: DWS18P	Class TFC: ISIN: DE000DWS18Q3 WKN: DWS18Q	Class RD: ISIN: DE000DWS2PA1 WKN: DWS2PA
Class TFD: ISIN: DE000DWS2SL2 WKN: DWS2SL			

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The DWS TD securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

Information not available in the DWS TD Fund Prospectus.

2. INVESTMENT POLICY

DWS TD aims to achieve the highest possible capital growth and at the same time an appropriate annual distribution in EUR.

DWS TD acquires and sells assets permitted under the German Capital Investment Act (KAGB) and the investments conditions of DWS TD after having assessed the economic conditions and the market conditions as well as the outlook of the relevant market.

At least 70 per cent. of the value of the DWS TD has to be invested in the shares of domestic and foreign companies for which an above-average dividend yield may be expected.

3. INVESTMENT RESTRICTIONS

DWS TD is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where DWS TD is located.

The relevant criteria and restrictions applicable to DWS TD relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;
- derivative financial instruments; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, DWS TD is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

DWS TD is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in DWS TD exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, DWS TD may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of DWS TD considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of DWS TD is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- developments in emerging markets;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Deutsche Asset Management Investment GmbH Mainzer Landstraße 11-17 60329 Frankfurt am Main Federal Republic of Germany
Assets under management	EUR 18,038,700,000 as of 31 August 2018
Fund manager	Deutsche Asset Management Investment GmbH
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	30 September
Custodian	State Street Bank International GmbH Briener Straße 59 80333 München Federal Republic of Germany

6. ADDRESS OF FUND MANAGER AND REMUNERATION

Deutsche Asset Management Investment GmbH
Mainzer Landstraße 11-17
60329 Frankfurt am Main
Federal Republic of Germany

The remuneration of the fund manager of DWS TD is equal to

- a maximum of up to 1.45 per cent. p.a. in case of class LD securities;
- a maximum of up to 1.45 per cent. p.a. in case of class LC securities;
- a maximum of up to 0.90 per cent. p.a. in case of class FC securities;
- a maximum of up to 0.90 per cent. p.a. in case of class FD securities;
- a maximum of up to 1.45 per cent. p.a. in case of class LDQ securities;
- a maximum of up to 0.90 per cent. p.a. in case of class TDQ securities;
- a maximum of up to 0.80 per cent. p.a. in case of class TFC securities;
- a maximum of up to 1.40 per cent. p.a. in case of class RD securities;
- a maximum of up to 0.80 per cent. p.a. in case of class TFD securities,

based on the net assets of DWS TD (and calculated in accordance with the calculation methods stipulated in the DWS TD Fund Prospectus).

7. STATUTORY AUDITOR

KPMG AG Wirtschaftsprüfungsgesellschaft
THE SQUAIRE
Am Flughafen
60549 Frankfurt am Main
Federal Republic of Germany

8. FINANCIAL INFORMATION

Financial information in respect of DWS TD may be accessed on <http://www.dws.de>.

9. ADDITIONAL INFORMATION

Any additional information in respect of DWS TD may be accessed on <http://www.dws.de>.

FIRST EAGLE AMUNDI INTERNATIONAL FUND

The fund prospectus (the **FEA Fund Prospectus**) of First Eagle Amundi, *Société d'investissement à capital variable (FEA)* (<http://www.amundi.com/esp/product/index.php?isin=LU0068578508&doc=FP>) contains a detailed description of FEA and its sub-fund First Eagle Amundi International Fund (**FEAIF**).

All capitalised terms in this description of FEA and FEAIF which are not otherwise defined herein have the same meaning as in the FEA Fund Prospectus.

1. FIRST EAGLE AMUNDI INTERNATIONAL FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class AU-C:	Class FU-C:	Class FU-MD:	Class IU-C:
ISIN: LU0068578508	ISIN: LU0181962126	ISIN: LU1095741804	ISIN: LU0433182176
WKN: 635297	WKN: A0PEF8	WKN: A119QG	WKN: A0N9WZ

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The FEAIF securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The FEAIF securities will be redeemed by reference to the net asset value of FEAIF. The net asset value per FEAIF security is calculated on each valuation day. This information is available at the registered office of the management company and on www.finesti.com.

2. INVESTMENT POLICY

FEAIF seeks to offer investors capital growth through diversification of its investments over all categories of assets and a policy of following a 'value' approach.

To pursue its goal, FEAIF invests at least two-thirds of its net assets in equities, equity-linked instruments and bonds without any restriction in terms of market capitalisation, geographical diversification or in terms of what part of the assets of FEAIF may be invested in a particular class of assets or a particular market.

3. INVESTMENT RESTRICTIONS

FEA is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where FEA is located.

The relevant criteria and restrictions applicable to FEAlF relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- deposits;
- convertible bonds;
- derivative financial instruments; and
- securities lending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, FEAlF is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

FEAlF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in FEAlF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, FEAlF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of FEAlF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of FEAlF is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- developments in emerging markets;
- prepayment risk;
- investments in small and medium sized companies;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- interest rate movements; and
- commodity risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	First Eagle Amundi, <i>Société d'investissement à capital Variable</i> 28-32, place de la Gare 1616 Luxembourg Grand Duchy of Luxembourg
Assets under management	USD 9,469,190,000 as of 31 August 2018
Management company	Amundi Luxembourg S.A.
Investment manager	First Eagle Investment Management LLC
Fund currency	USD
Length of life	Unlimited
Portfolio management location	Luxembourg
Fiscal year end	28/29 February
Custodian	Société Générale Bank & Trust 11, avenue Emile Reuter 2420 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Amundi Luxembourg S.A.
5, Allée Scheffer
2520 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of FEAIF consists of a management fee of currently 0.15 per cent. p.a. of the assets of FEAIF (and calculated in accordance with the calculation methods stipulated in the FEA Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

First Eagle Investment Management LLC
1345 Avenue of the Americas
New York, N.Y. 10105
United States of America

The remuneration of the investment manager of FEAIF is equal to

- a maximum of up to 2.00 per cent. p.a. in case of class AU-C securities;
- a maximum of up to 2.00 per cent. p.a. in case of class FU-C securities;
- a maximum of up to 2.00 per cent. p.a. in case of class FU-MD securities;
- a maximum of up to 1.00 per cent. p.a. in case of class IU-C securities,

based on the net assets of FEAIF and paid by the management company of FEAIF (and calculated in accordance with the calculation methods stipulated in the FEA Fund Prospectus).

8. STATUTORY AUDITOR

Deloitte Audit S.à r.l.
560, rue de Neudorf
2220 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of FEAlF may be accessed on <http://www.amundi.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of FEAlF may be accessed on <http://www.amundi.com>.

FIRST STATE WORLDWIDE LEADERS FUND

The fund prospectus (the **First State Fund Prospectus**) of First State Investments ICVC (**First State**) (<http://www.firststateinvestments.com>) contains a detailed description of First State and its sub-fund First State Worldwide Leaders Fund (**First State WLF**).

All capitalised terms in this description of First State and First State WLF which are not otherwise defined herein have the same meaning as in the First State Fund Prospectus.

1. FIRST STATE WORLDWIDE LEADERS FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A:	Class B:
ISIN: GB0030978612	ISIN: GB0030978729
WKN: 765892	WKN: 765893

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The First State WLF securities are denominated in GBP and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which First State WLF securities will be redeemed will be based on the net asset value per First State WLF security less any applicable redemption charge. First State WLF securities are valued from Monday to Friday except for bank holidays in England and Wales and other days at the authorised corporate director's discretion. The most recent price of the First State WLF securities will appear on <http://www.firststateinvestments.com> and are also available by calling +44 (0) 800 587 4141.

2. INVESTMENT POLICY

First State WLF aims to achieve long-term capital growth.

First State WLF invests primarily in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the regulated markets worldwide. Larger capitalisation companies are currently defined as companies with a minimum investible market capitalisation (free float) of USD3 billion at the time of investment.

First State WLF is not managed to a benchmark and may have exposure to developed or emerging markets whilst maintaining its geographical diversity.

First State WLF may invest in any industry.

3. INVESTMENT RESTRICTIONS

First State is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where First State is located.

The relevant criteria and restrictions applicable to First State WLF relate to, among others:

- transferable securities and liquid assets;
- UCITS and other UCIs;
- investment spread;
- securities lending;
- cash and near cash;
- derivative instruments; and
- warrants.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, First State WLF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

First State WLF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in First State WLF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, First State WLF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of First State WLF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of First State WLF is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- the liquidity of the assets invested in;
- failures to perform by counterparties;
- companies in emerging market;
- fluctuation of the value of equity investments;

- events occurring in the Eurozone;
- risks relating to liquidity;
- investments in small and mid-sized companies; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	First State Investments ICVC Finsbury Circus House 15 Finsbury Circus House London EC2M 7EB United Kingdom of Great Britain and Northern Ireland
Assets under management	GBP 40,100,000 as of 31 August 2018
Management company (authorised corporate director)	First State Investments (UK) Limited
Investment manager	First State Investment Management (UK) Limited
Fund currency	GBP
Length of life	Unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 July
Custodian	The Bank Of New York Mellon (International) Limited One Canada Square London E14 5AL United Kingdom of Great Britain and Northern Ireland

6. ADDRESS OF AUTHORISED CORPORATE DIRECTOR (ACD) AND REMUNERATION

First State Investment Management (UK) Limited
23 St. Andrew Square
Edinburgh EH2 1BB
United Kingdom of Great Britain
and Northern Ireland

In payment for carrying out its duties and responsibilities, the ACD is entitled to deduct the following fees from each share class in each sub-fund:

An annual management fee is based on the net assets of First State WLF and is equal to 1.5 per cent. for the class A securities and 0.75 per cent. for the class B securities (and calculated in accordance with the calculation methods stipulated in the First State Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

First State Investments (UK) Limited
Finsbury Circus House
15 Finsbury Circus House
London EC2M 7EB
United Kingdom of Great Britain
and Northern Ireland

The investment manager's fees and expenses will be paid by the ACD out of its remuneration as described in the section above.

8. STATUTORY AUDITOR

PricewaterhouseCoopers LLP
Atria House
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom of Great Britain
and Northern Ireland

9. FINANCIAL INFORMATION

Financial information in respect of First State WLF may be accessed on <http://www.firststateinvestments.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of First State WLF may be accessed on <http://www.firststateinvestments.com>.

FLOSSBACH VON STORCH - GLOBAL EQUITY

The fund prospectus (the **FvS Fund Prospectus**) of the Flossbach von Storch Fund (**FvS**) (<https://www.fvsag.com/en/investment-funds/equities/flossbach-von-storch---global-equity-r/profile.html>) contains a detailed description of FvS and its sub-fund FvS – Global Equity (**FvS GE**).

All capitalised terms in this description of FvS and FvS GE which are not otherwise defined herein have the same meaning as in the FvS Fund Prospectus.

1. FLOSSBACH VON STORCH - GLOBAL EQUITY

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class H:	Class I:	Class R:	Class MT:
ISIN: LU0097333701	ISIN: LU0320532970	ISIN: LU0366178969	ISIN: LU1618024175
WKN: 989975	WKN: A0M1D3	WKN: A0Q2PT	WKN: A2DR5Z

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The FvS GE securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price of the FvS GE securities is based on the net asset value of the FvS GE securities (less any redemption fee if applicable). The net asset value of the FvS GE securities is calculated on each banking day in Luxembourg, with the exception of 24 and 31 December of each year. The issue and redemption prices are published on www.fvsinvest.lu on each stock exchange day.

2. INVESTMENT POLICY

The objective of the investment policy of FvS – Global Equity ("sub-fund") is to achieve reasonable performance while taking into consideration the risk involved for the investors.

The focus of these investments is on shares in companies that achieve above-average growth, have qualified management, hold a dominant market position and demonstrate a solid financial structure.

Shares in companies are also taken into account if they suggest extraordinary price potential based on specific criteria or situations. Such special situations can occur due to the performance of the market as a whole, an industry or an individual company. This includes promising new issues.

3. INVESTMENT RESTRICTIONS

FvS is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to

UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where FvS is located.

The relevant criteria and restrictions applicable to FvS GE relate to, among others:

- transferable securities and liquid assets;
- UCITS and other UCI;
- derivative instruments;
- short selling;
- investments in emerging markets;
- securities lending; and
- regional investment focus.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, FvS GE is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

FvS GE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in FvS GE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, FvS GE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of FvS GE considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of FvS GE is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments, especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- counterparty risk;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Flossbach von Storch Invest S.A. 6, Avenue Marie-Thérèse 2132 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 396,670,000 as of 31 August 2018
Management company	Flossbach von Storch Invest S.A.
Fund Currency	EUR
Length of life	unlimited
Portfolio Management Location	Germany
Fiscal year end	30 September
Custodian	DZ Privatbank S.A. 4, rue Thomas Edison 1445 Luxembourg-Strassen Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Flossbach von Storch Invest S.A.
6, Avenue Marie-Thérèse
2132 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of FvS GE is equal to

- a maximum of up to 1.10 per cent. p.a. in case of class H securities;
- a maximum of up to 0.75 per cent. p.a. in case of class I securities;
- a maximum of up to 1.60 per cent. p.a. in case of class R securities;
- a maximum of up to 0.65 per cent. p.a. in case of class MT securities,

based on the net assets of FvS GE (and calculated in accordance with the calculation methods stipulated in the FvS Fund Prospectus).

7. ADDRESS OF FUND MANAGER REMUNERATION

Flossbach von Storch AG
Ottoplatz 1
50679 Köln
Federal Republic of Germany

The fund manager receives a fee for the performance of his duties, from the management fee paid to the management company (and calculated in accordance with the calculation methods stipulated in the FvS Fund Prospectus).

8. STATUTORY AUDITOR

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator, B.P. 1443
1014 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of FvS GE may be accessed on <https://www.fvsag.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of FvS GE may be accessed on <https://www.fvsag.com>.

FMM-FONDS

The fund prospectus (the **FMM-F Fund Prospectus**) of FMM-Fonds (**FMM-F**) (<http://www.frankfurt-trust.de>) contains a detailed description of FMM-F.

All capitalised terms in this description of FMM-F which are not otherwise defined herein have the same meaning as in the FMM-F Fund Prospectus.

1. FMM-FONDS

1.1 ISIN / WKN

FFM-F:

ISIN: DE0008478116

WKN: 847811

At the date of this Base Prospectus, no separate classes of securities (*Anteilstklassen*) have been inducted. Nonetheless, separate classes may be established in the future without any control or influence of the Issuer. In the latter case, the Issuer is free to determine such other newly established class of securities as an eligible class of securities under this section entitled "*Description of the Fund Shares*".

1.2 Securities

(a) Description of the securities:

The FMM-F securities are accumulation units denominated in EUR that do not, as a general rule, entitle the holder to a dividend, but where the amount to be distributed is reinvested in FMM-F. In case other classes of securities may be established, each class may either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The redemption price of the FMM-F securities is regularly published on www.frankfurt-trust.de.

2. INVESTMENT POLICY

FMM-F invests worldwide in a diversified manner and primarily in equity. In addition, FMM-F may invest in government bonds and corporate bonds.

FMM-F makes a fundamental, monetary and technical market analysis which forms the basis for the selection of the shares and the share ratio of FMM-F.

The selection of individual securities and the diversification of FMM-F are based on the assessment of its fund manager.

FMM-F aims to participate in the positive performance of stock markets worldwide.

3. INVESTMENT RESTRICTIONS

FMM-F is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS"

of Directive 2009/65/EC, as implemented by the national law of the Member State where BL is located.

The relevant criteria and restrictions applicable to FMM-F relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- covered bonds;
- effective portfolio management instruments and techniques;
- liquidity management;
- derivative financial instruments; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, FMM-F is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

FMM-F is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in FMM-F exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, FMM-F may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of FMM-F considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of FMM-F is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- the presence of central counterparties;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Frankfurt-Trust Investment-Gesellschaft mbH Bockenheimer Landstraße 10 60323 Frankfurt am Main Federal Republic of Germany
Assets under management	EUR 494,710,000 as of 28 September 2018
Management Company	Frankfurt-Trust Investment-Gesellschaft mbH
Fund manager	DJE Kapital AG
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	31 December
Custodian	The Bank of New York Mellon SA/NV Messeturm Friederich-Ebert-Anlage 49 60327 Frankfurt am Main Federal Republic of Germany

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Frankfurt-Trust Investment-Gesellschaft mbH
Bockenheimer Landstraße 10
60323 Frankfurt am Main
Federal Republic of Germany

The remuneration of the management company of FMM-F is up to 1.60 per cent. p.a. (actually 1.55 per cent. p.a.), based on the net assets of FMM-F (and calculated in accordance with the calculation methods stipulated in the FFM-F Fund Prospectus).

7. ADDRESS OF FUND MANAGER AND REMUNERATION

DJE Kapital AG
Pullacher Straße 24
82049 Pullach
Federal Republic of Germany

For further details with respect to the remuneration of the fund manager of FFM-F, please refer to page 13 of the FFM-F Fund Prospectus.

8. STATUTORY AUDITOR

KPMG AG Wirtschaftsprüfungsgesellschaft
THE SQUAIRE
Am Flughafen
60549 Frankfurt am Main
Federal Republic of Germany

9. FINANCIAL INFORMATION

Financial information in respect of FMM-F may be accessed on <http://www.frankfurt-trust.de>.

10. ADDITIONAL INFORMATION

Any additional information in respect of FMM-F may be accessed on <http://www.frankfurt-trust.de>.

FRANKLIN GLOBAL SMALL-MID CAP GROWTH FUND

The fund prospectus (the **Franklin Templeton Fund Prospectus**) of Franklin Templeton Investment Funds, *société d'investissement à capital variable* (**Franklin Templeton**) (<http://www.franklintempleton.lu>) contains a detailed description of Franklin Templeton and its sub-fund Franklin Global Small-Mid Cap Growth Fund (FGSMCGF).

All capitalised terms in this description of Franklin Templeton and FGSMCGF which are not otherwise defined herein have the same meaning as in the Franklin Templeton Fund Prospectus.

1. FRANKLIN GLOBAL SMALL MID CAP GROWTH FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A (Acc):	Class I (Acc):	Class N (Acc):	Class W (Acc):
ISIN: LU0144644332	ISIN: LU0366775897	ISIN: LU0144648085	ISIN: LU0976565258
WKN: 552876	WKN: A0Q3ZR	WKN: 552878	WKN: A1W6JJ

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The FGSMCGF securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which FGSMCGF securities will be redeemed will be based on the net asset value per FGSMCGF security. The net asset value is made public at the registered office of Franklin Templeton and is available at the offices of the management company. This information is also available on the Internet site: <http://www.franklintempleton.lu>.

2. INVESTMENT POLICY

FGSMCGF seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of small- and mid-cap companies globally. In selecting equity investments, the investment manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics.

FGSMCGF principally invests its net assets in the securities of issuers incorporated or having their principal business activities in any developed country in the world and which have a market capitalisation above USD 100 million and below USD 8 billion or the equivalent in local currencies at the time of purchase. FGSMCGF's exposure to various regions and markets varies from time to time according to the investment manager's opinion as to the prevailing conditions and prospects for securities in these markets.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, FGSMCGF may also seek investment opportunities in other types of transferable securities, which do not fulfil the requirements set out above.

3. INVESTMENT RESTRICTIONS

Franklin Templeton is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Franklin Templeton is located.

The relevant criteria and restrictions applicable to FGSMCGF relate to, among others:

- transferable securities and liquid assets;
- UCITS and other UCIs;
- other assets (such as real estate, precious metals, commodities, loans, security agreements);
- securities lending;
- derivative instruments; and
- other local restrictions.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, FGSMCGF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

FGSMCGF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in FGSMCGF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, FGSMCGF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of FGSMCGF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of FGSMCGF is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- convertible securities risk;
- counterparty risk;
- equity risk;

- Eurozone risk;
- foreign currency risk;
- growth stocks risk;
- liquidity risk;
- market risk;
- small- and mid-sized companies risk; and
- warrants risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Franklin Templeton Investment Funds, <i>société d'investissement à capital variable</i> 8A, rue Albert Borschette 1246 Luxembourg Grand Duchy of Luxembourg
Assets under management	USD 112,000,000 as of 31 August 2018
Management company	Franklin Templeton International Services S.à r.l.
Investment manager	Franklin Templeton Institutional, LLC
Fund currency	USD
Length of life	Unlimited
Portfolio management location	United States of America
Fiscal year end	30 June
Custodian	J.P. Morgan Bank Luxembourg Luxembourg S.A. European Bank & Business Centre 6 route de Trèves 2633 Senningerberg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Franklin Templeton International Services S.à r.l.
8A, rue Albert Borschette
1246 Luxembourg
Grand Duchy of Luxembourg

The management company of FGSMCGF will receive as remuneration an annual fee of up to 0.20 per cent. of the net asset value of the relevant share class, an additional amount (consisting of a fixed and variable component) per investor holding the relevant class level over each period of one year, and a fixed amount per year to cover part of its organisational expenses (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the Franklin Templeton Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Franklin Templeton Institutional, LLC
280 Park Avenue
New York, NY 10017
United States of America

The investment managers of FGSMCGF will be remunerated by the management company out of the management fee which is charged to FGSMCGF directly by Franklin Templeton. The remuneration of the investment manager of FGSMCGF is equal to

- a maximum of up to 1.00 per cent. p.a. in case of class A (Acc) securities;
- a maximum of up to 0.70 per cent. p.a. in case of class I (Acc) securities;
- a maximum of up to 1.00 per cent. p.a. in case of class N (Acc) securities;
- a maximum of up to 0.70 per cent. p.a. in case of class W (Acc) securities,

based on the net assets of FGSMCGF (and calculated in accordance with the calculation methods stipulated in the Franklin Templeton Fund Prospectus).

8. STATUTORY AUDITOR

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator
2182 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of FGSMCGF may be accessed on <http://www.franklintempleton.lu>.

10. ADDITIONAL INFORMATION

Any additional information in respect of FGSMCGF may be accessed on <http://www.franklintempleton.lu>.

JPMORGAN FUNDS - GLOBAL FOCUS FUND

The fund prospectus (the **JPM Fund Prospectus**) of JPMorgan Funds, *Société d'investissement à capital variable (JPM)* (<http://www.jpmorganassetmanagement.lu>) contains a detailed description of JPM and its sub-fund JPMorgan Funds – Global Focus Fund (**JPMorgan GFF**).

All capitalised terms in this description of JPM and JPMorgan GFF which are not otherwise defined herein have the same meaning as in the JPM Fund Prospectus.

1. JPMORGAN FUNDS - GLOBAL FOCUS FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A (dist):	Class A (acc):	Class C (acc):	Class D (acc):
ISIN: LU0168341575	ISIN: LU0210534227	ISIN: LU0168343191	ISIN: LU0168343274
WKN: 343439	WKN: A0DQQJ	WKN: 345105	WKN: 345106
Class I (acc):	Class X (acc):		
ISIN: LU0248053109	ISIN: LU0168343431		
WKN: A0JKTZ	WKN: 548094		

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The JPMorgan GFF securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The redemption price of the JPMorgan GFF securities is based on the net asset value of the JPMorgan GFF and is made public on each applicable valuation day at the registered office of JPM and is available on <http://www.jpmorganassetmanagement.com>.

2. INVESTMENT POLICY

The investment objective of JPMorgan GFF is to provide long-term capital growth by investing primarily in an aggressively managed portfolio of global companies with large, medium and small market capitalisation that the investment manager(s) of JPMorgan GFF believes to be attractively valued and have significant profit growth or earnings recovery potential.

JPMorgan GFF aims to identify companies, whose current valuation does not truly reflect their earnings potential, giving unrestricted access to such stocks by investing in any region, sector and company that match JPMorgan GFF's stock selection criteria.

The companies targeted by JPMorgan GFF may be based in any country including any threshold countries.

3. INVESTMENT RESTRICTIONS

JPM is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where JPM is located.

The relevant criteria and restrictions applicable to JPMorgan GFF relate to, among others:

- transferable securities;
- shares in large, medium and small capitalisation companies;
- money market instruments;
- collective investment schemes;
- shares with voting rights attached;
- cash and debt securities; and
- use of derivatives.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, JPMorgan GFF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

JPMorgan GFF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in JPMorgan GFF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, JPMorgan GFF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of JPMorgan GFF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of JPMorgan GFF is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- risks inherent to investments in companies with important growth potential;
- currency and exchange rates;
- aggressive portfolio management;
- counterparty risks;

- market risk;
- inflation;
- investments in RMB;
- cancellation risks;
- investment in derivatives;
- liquidity risk;
- emerging markets;
- taxation; and
- concentrated portfolios.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	JPMorgan Funds, <i>Société d'investissement à capital variable</i> 6, route de Trèves 2633 Senningerberg Grand Duchy of Luxembourg
Assets under management	EUR 1,751,500,000 as of 31 August 2018
Management company	JPMorgan Asset Management (Europe) S.à r.l.
Investment managers	Please see the JPM Fund Prospectus on page 21 for the list of investment managers
Sub-fund currency	EUR
Length of life	Unlimited
Portfolio management location	Depending on the location of the relevant investment manager
Fiscal year end	30 June
Custodian	J.P. Morgan Bank Luxembourg S.A. 6, route de Trèves 2633 Senningerberg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

JPMorgan Asset Management (Europe) S.à r.l.
6, route de Trèves
2633 Senningerberg
Grand Duchy of Luxembourg

The remuneration of the management company of JPM GFF is equal to

- a yearly management and investment fee of 1.50 per cent. p.a. and an operation fee of up to 0.30 per cent. p.a. in case of class A (dist) securities;
- a yearly management and investment fee of 1.50 per cent. p.a. and an operation fee of up to 0.30 per cent. p.a. in case of class A (acc) securities;
- a yearly management and investment fee of 1.50 per cent. p.a. and an operation fee of up to 0.20 per cent. p.a. in case of class C (acc) securities;
- a yearly management and investment fee of 1.50 per cent. p.a., and an operation fee of up to 0.30 per cent. p.a. in case of class D (acc) securities;
- a yearly management and investment fee of 0.80 per cent. p.a. and an operation fee of up to 0.16 per cent. p.a. in case of class I (acc) securities;
- an operation fee of up to 0.15 per cent. p.a. in case of class X (acc) securities,

based on the net assets of JPMorgan GFF (and calculated in accordance with the calculation methods stipulated in the JPM Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGERS AND REMUNERATION

Please see the JPM Fund Prospectus on page 21 for the addresses of the investment managers.

The investment managers are entitled, as remuneration for their services rendered to JPM GFF, to obtain a fee from the management company as provided in the relevant investment management agreements or in an amount otherwise agreed from time to time.

8. AUDITOR

PricewaterhouseCoopers, *Société coopérative*
 2. rue Gerhard Mercator
 2182 Luxembourg
 Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of JPMorgan GFF may be accessed on <http://www.jpmorganassetmanagement.com/jpmf>.

10. ADDITIONAL INFORMATION

Any additional information in respect of JPMorgan GFF may be accessed on <http://www.jpmorganassetmanagement.lu>.

LINGOHR-ASIEN-SYSTEMATIC-LBB-INVEST

The fund prospectus (the **LINGOHR Fund Prospectus**) of Lingohr-Asien-Systematic-LBB-Invest (**LINGOHR**) (<http://www.lbb-invest.de>) contains a detailed description of LINGOHR.

All capitalised terms in this description of LINGOHR which are not otherwise defined herein have the same meaning as in the LINGOHR Fund Prospectus.

1. LINGOHR-ASIEN-SYSTEMATIC-LBB-INVEST

1.1 ISIN / WKN

LINGOHR:

ISIN: DE0008479387

WKN: 847938

At the date of this Base Prospectus, no separate classes of securities (*Anteilstklassen*) have been inducted. Nonetheless, separate classes may be established in the future without any control or influence of the Issuer. In the latter case, the Issuer is free to determine such other newly established class of securities as an eligible class of securities under this section entitled "*Description of the Fund Shares*".

1.2 Securities

(a) Description of the securities:

LINGOHR securities are distribution units denominated in EUR that entitle the holder to a dividend which is paid yearly (mid-June). In case other classes of securities may be established, each class may either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The redemption price of the LINGOHR securities is regularly published on <http://www.lbb-invest.de>.

2. INVESTMENT POLICY

The investment policy of LINGOHR is to achieve capital gains over the long term.

LINGOHR directly or indirectly invests according to the principle of risk diversification. LINGOHR shall only invest in assets that are expected to generate any yield and/or growth.

The investments of LINGOHR may target corporates or other issuers with registered office in Asia or Australia and Asiatic or Australian Members States of the OECD.

3. INVESTMENT RESTRICTIONS

LINGOHR is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where LINGOHR is located.

The relevant criteria and restrictions applicable to LINGOHR relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- securities lending;
- effective portfolio management instruments and techniques;
- security interests;
- derivative financial instruments; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, LINGOHR is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

LINGOHR is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in LINGOHR exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, LINGOHR may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of LINGOHR considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of LINGOHR is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- the presence of central counterparties;
- changes in the investment policy or the investment conditions of LINGOHR;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Landesbank Berlin Investment GmbH Kurfürstendamm 201 10719 Berlin Federal Republic of Germany
Assets under management	EUR 38,910,000 as of 29 March 2018
Investment adviser	Lingohr & Partner
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	31 March
Custodian	DekaBank Deutsche Girozentrale AöR Mainzer Landstraße 16 60325 Frankfurt am Main Federal Republic of Germany

6. ADDRESS OF FUND MANAGER AND REMUNERATION

Landesbank Berlin Investment GmbH
Kurfürstendamm 201
10719 Berlin
Federal Republic of Germany

The remuneration of the fund manager of LINGOHR is up to 2 per cent. p.a. (currently 1.65 per cent. p.a.), based on the net assets of LINGOHR (and calculated in accordance with the calculation methods stipulated in the LINGOHR Fund Prospectus).

7. ADDRESS OF INVESTMENT ADVISOR AND REMUNERATION

Lingohr & Partner Asset Management GmbH
40699 Erkrath
Heinrich-Hertz-Str. 2
Federal Republic of Germany

The remuneration of the investment advisor of LINGOHR has not been disclosed in the LINGOHR Fund Prospectus.

8. STATUTORY AUDITOR

KPMG AG Wirtschaftsprüfungsgesellschaft
Ludwig-Erhard-Straße 11-17
20459 Hamburg
Federal Republic of Germany

9. FINANCIAL INFORMATION

Financial information in respect of LINGOHR may be accessed on <http://www.lbb-invest.de>.

10. ADDITIONAL INFORMATION

Any additional information in respect of LINGOHR may be accessed on <http://www.lbb-invest.de>.

LONG TERM INVESTMENT FUND (SIA) – CLASSIC

The fund prospectus (the **LTIF Fund Prospectus**) of Long Term Investment Fund (SIA), *Société d'investissement à capital variable (LTIF)* (http://www.s-ia.ch/SIA/funds_reportfunds.php?LangID=1&FundID=21) contains a detailed description of LTIF and its sub-fund Long Term Investment Fund (SIA) – Classic (**LTIFC**).

All capitalised terms in this description of LTIF and LTIFC which are not otherwise defined herein have the same meaning as in the LTIF Fund Prospectus.

1. LONG TERM INVESTMENT FUND (SIA) - CLASSIC

1.1 ISIN / WKN

LTIFC:

ISIN: LU0244071956

WKN: A0JD7E

At the date of this Base Prospectus, no separate classes of securities (*Anteilklassen*) have been inducted. Nonetheless, separate classes may be established in the future without any control or influence of the Issuer. In the latter case, the Issuer is free to determine such other newly established class of securities as an eligible class of securities under this section entitled "*Description of the Fund Shares*".

1.2 Securities

(a) Description of the securities:

The LTIFC securities are accumulation shares denominated in EUR that do not entitle the holder to a dividend, but where the net income attributable to a share is accumulated and reinvested. In case other classes of securities may be established, each class may either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The redemption price of the LTIFC securities is equal to its net asset value. The net asset value of the LTIFC securities is calculated daily and made public at the offices of the custodian of LTIF.

2. INVESTMENT POLICY

LTIFC will mainly invest in equity and equity related securities (including convertible bonds) issued by companies worldwide.

3. INVESTMENT RESTRICTIONS

LTIF is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where LTIF is located.

The relevant criteria and restrictions applicable to LTIFC relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;
- derivative financial instruments;
- encumbrances; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, LTIFC is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

LTIFC is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in LTIFC exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, LTIFC may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of LTIFC considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of LTIFC is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- developments in emerging markets;
- market and settlement risk;
- the liquidity of the assets invested in;
- investments in warrants;
- custody risk;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Long Term Investment Fund (SIA), <i>Société d'investissement à capital variable</i> 15, avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 150,760,000 as of 31 August 2018
Management company	FundPartner Solutions (Europe) S.A.
Investment manager	SIA Funds AG
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Luxembourg
Fiscal year end	31 December
Custodian	Pictet & Cie (Europe) S.A. 15A avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

FundPartner Solutions (Europe) S.A.
15, avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

The management company is remunerated in accordance with customary practice in Luxembourg up to 0.50 per cent. p.a., based on the net assets of LTIFC (and calculated in accordance with the calculation methods stipulated in the LTIF Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

SIA Funds AG
Alpenblickstrasse 25
8853 Lachen
Switzerland

The remuneration of the investment manager of LTIFC is equal to 1.50 per cent. p.a., based on the net assets of LTIFC (and calculated in accordance with the calculation methods stipulated in the LTIF Fund Prospectus).

8. STATUTORY AUDITOR

Deloitte Audit S.à r.l
560 route de Neudorf
2220 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of LTIFC may be accessed on <http://www.s-i-a.ch>.

10. ADDITIONAL INFORMATION

Any additional information in respect of LTIFC may be accessed on <http://www.s-i-a.ch>.

LOYS SICAV - LOYS GLOBAL

The fund prospectus (the **LOYS Fund Prospectus**) of LOYS Sicav (**LOYS**) (<http://www.alceda.lu>) contains a detailed description of LOYS and its sub-fund LOYS Sicav-LOYS Global (**LOYS Global**).

All capitalised terms in this description of LOYS and LOYS Global which are not otherwise defined herein have the same meaning as in the LOYS Fund Prospectus.

1. LOYS SICAV - LOYS GLOBAL

1.1 ISIN / WKN

Class P:	Class I:	Class PAN:	Class ITN:
ISIN: LU0107944042	ISIN: LU0277768098	ISIN: LU0324426252	ISIN: LU1490908941
WKN: 926229	WKN: A0LFXD	WKN: A0M5SE	WKN: A2ARPQ

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The LOYS securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price of the LOYS securities is based on the net asset value of the LOYS securities which is calculated on each Luxembourg business day and published on www.alceda.lu.

2. INVESTMENT POLICY

LOYS Global aims at investing in international securities in accordance with the principle of risk diversification. LOYS Global's investment objective is to generate an adequate income and to achieve the highest possible long-term capital growth.

3. INVESTMENT RESTRICTIONS

LOYS is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where LOYS is located.

The relevant criteria and restrictions applicable to LOYS Global relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;

- derivative financial instruments; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, LOYS Global is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

LOYS Global is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in LOYS Global exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, LOYS Global may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of LOYS Global considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of LOYS Global is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	LOYS Sicav, <i>Société d'investissement à capital variable</i> 1c, rue Gabriel Lippmann 5365 Munsbach Grand Duchy of Luxembourg
Assets under management	EUR 434,100,000 as of 30 September 2018
Management company	LOYS Investment S.A.
Fund manager	LOYS AG

Fund currency	EUR
Length of life	unlimited
Portfolio management location	Luxembourg
Fiscal year end	31 December
Custodian	Hauck & Aufhäuser Privatbankiers AG Luxembourg Branch 1c, rue Gabriel Lippmann 5365 Munsbach Grand Duchy of Luxembourg

6. ADDRESS OF THE MANAGEMENT COMPANY AND REMUNERATION

LOYS Investment S.A.
R.C.S. LUXEMBURG NR. B 207.585
1c, rue Gabriel Lippmann
5365 Munsbach
Grand Duchy of Luxembourg

The remuneration of the management company of LOYS Global is equal to

- a maximum of up to 0.16 per cent. p.a. in case of class P securities;
- a maximum of up to 0.16 per cent. p.a. in case of class I securities;
- a maximum of up to 0.16 per cent. p.a. in case of class PAN securities;
- a maximum of up to 0.16 per cent. p.a. in case of class ITF securities,

based on the net assets of LOYS Global (and calculated in accordance with the calculation methods stipulated in the LOYS Fund Prospectus).

7. ADDRESS OF FUND MANAGER AND REMUNERATION

LOYS AG
Alte Amalienstraße 30
26135 Oldenburg
Federal Republic of Germany

The remuneration of the fund manager of LOYS Global is equal to

- a maximum of up to 0.80 per cent. p.a. in case of class P securities;
- a maximum of up to 0.60 per cent. p.a. in case of class I securities;
- a maximum of up to 1.20 per cent. p.a. in case of class PAN securities,

based on the net assets of LOYS Global; in addition, a performance-based advisory fee as set out in the LOYS Fund Prospectus may be paid to the fund manager (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the LOYS Fund Prospectus).

8. STATUTORY AUDITOR

KPMG Luxembourg, *Société coopérative*
39, Avenue John F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of LOYS Global may be accessed on <http://www.loys.de>.

10. ADDITIONAL INFORMATION

Any additional information in respect of LOYS Global may be accessed on <http://www.loys.de>.

MFS MERIDIAN FUNDS - GLOBAL EQUITY

The fund prospectus (the **MFS Fund Prospectus**) of MFS Meridian Funds, *Société d'investissement à capital variable* (**MFS**) (<https://www.mfs.com>) contains a detailed description of MFS and its sub-fund MFS Meridian Funds – Global Equity Fund (**MFSGE**).

All capitalised terms in this description of MFS and MFSGE which are not otherwise defined herein have the same meaning as in the MFS Fund Prospectus.

1. MFS MERIDIAN FUNDS - GLOBAL EQUITY FUND

1.1 ISIN / WKN

Class A1:	Class I1:	Class W1:
ISIN: LU0094560744	ISIN: LU0219424644	ISIN: LU1761538229
WKN: 989632	WKN: A0ESA3	WKN: A2JCKM

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The MFSGE securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The net asset value of the MFSGE securities and the issue and redemption prices will be available at all times at the MFSGE's and its custodian's respective registered. MFSGE may in its discretion and as required by local law publish information about the net asset value of the MFSGE securities on www.mfs.com.

2. INVESTMENT POLICY

MFSGE's objective is capital appreciation, measured in US. dollars. MFSGE invests primarily (at least 70 per cent.) in equity securities of companies located in developed and emerging market countries. MFSGE may invest in companies it believes to have above average earnings growth potential compared to other companies ("growth companies"), in companies it believes to be undervalued compared to their perceived worth ("value companies") or in a combination of growth and value companies. MFSGE generally focuses its investments in larger companies, but may invest in companies of any size.

3. INVESTMENT RESTRICTIONS

MFS is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS"

of Directive 2009/65/EC, as implemented by the national law of the Member State where MFS is located.

The relevant criteria and restrictions applicable to MFSGE relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- derivative financial instruments; and
- borrowings, loans and deposits.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, MFSGE is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

MFSGE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in MFSGE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, MFSGE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of MFSGE considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of MFSGE is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- exposure to emerging markets;
- geographic concentration of investments;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- credit risk;
- interest rate movements; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	MFS Meridian Funds, <i>Société d'investissement à capital variable</i> 35, boulevard de Prince Henri 1724 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 5,132,300,000 as of 31 August 2018
Management Company	MFS Investment Management Company (Lux) S.à. r.l
Investment manager	Massachusetts Financial Services Company
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	New York
Fiscal year end	31 January
Custodian	State Street Bank Luxembourg S.C.A. 49, avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

MFS Investment Management Company (Lux) S.à r.l
35, Boulevard du Prince Henri
1724 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of MFSGE is described in the MFS Fund Prospectus on page 85.

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Massachusetts Financial Services Company
111 Huntington Avenue
Boston, Massachusetts 02119
United States of America

The remuneration of the investment manager of MFSGE is

- 1.05 per cent. p.a. in case of class A1 securities;
- 0.85 per cent. p.a. in case of class I1 securities;
- 1.05 per cent. p.a. in case of class IW securities,

based on the net assets of MFSGE (and calculated in accordance with the calculation methods stipulated in the MFS Fund Prospectus).

7. STATUTORY AUDITOR

Ernst & Young S.A.
35E, Avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

8. FINANCIAL INFORMATION

Financial information in respect of MFSGE may be accessed on <https://www.mfs.com>.

9. ADDITIONAL INFORMATION

Any additional information in respect of MFSGE may be accessed on <https://www.mfs.com>.

M&G GLOBAL THEMES FUND

The fund prospectus (the **M&G Fund Prospectus**) of M&G Investment Funds (1) (**M&G1**) (<http://www.mandg.lu>) contains a detailed description of M&G1 and its sub-fund M&G Global Themes Fund (**M&G GTF**).

All capitalised terms in this description of M&G1 and M&G GTF which are not otherwise defined herein have the same meaning as in the M&G Fund Prospectus.

1. M&G GLOBAL THEMES FUND

1.1 ISIN / WKN

Class A (Acc):	Class A (Inc):	Class C (Acc):	Class C (Inc):
ISIN: GB0030932676	ISIN: GB00B8HQLV4	ISIN: GB0030932783	ISIN: GB00BK6M9Z78
WKN: 797735	WKN: A1WZWN	WKN: 797736	WKN: A115N1

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The M&G GTF securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price of a GTF security is calculated by reference to its net asset value adjusted to reduce any dilutive effect of dealing in M&G GTF before any applicable redemption charge. The valuation point for GTF securities is 12.00 noon UK time from Monday to Friday except for bank holidays in England and Wales and other days at the authorised corporate director's discretion.

2. INVESTMENT POLICY

M&G GTF is a global equity fund which invests wholly or mainly in companies operating in basic industries ('primary' and 'secondary' industries) and also in companies that service these industries. M&G GTF may also invest in other global equities. The sole aim of M&G GTF is long term capital growth.

M&G GTF invests in companies considered to be the 'building blocks' of the world's economy. A key aspect to the stock selection process involves the assessment of structural trends in the global economy and the identification of those companies that are positioned to benefit. This approach is illustrated by the M&G GTF's curve of economic development' concept, which represents the changing needs of an economy at different stages of development. As the structural shift in economic power towards emerging markets continues to build momentum, the rising incomes and increasingly sophisticated demands of the consumer combine to create an emerging middle class. As nations 'move up the curve', basic demands for food and shelter are accompanied by increasing appetite for additional goods and services. M&G GTF can gain exposure to such themes by investing in best-in-class international companies with a durable competitive advantage that enables them to capitalise on such trends through their global operations. Given M&G GTF's unconstrained mandate, the fund

manager has the flexibility to move up and down the curve of economic development, based on where he thinks the opportunity and valuation levels are most attractive. This includes examining a company's asset base, competitive position, business model, financial strength and management ability.

3. INVESTMENT RESTRICTIONS

M&G1 is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where M&G1 is located.

The relevant criteria and restrictions applicable to M&G GTF relate to, among others:

- transferable securities;
- approved money market instruments;
- collective investment schemes;
- investment in deposits;
- use of derivatives; and
- stocklending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, M&G GTF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

M&G GTF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in M&G GTF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, M&G GTF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of M&G1 considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of M&G GTF is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- currency and exchange rates;
- counterparty risks;
- liabilities of M&G GTF;

- suspension of dealings in shares;
- inflation;
- taxation;
- cancellation risks;
- investment in derivatives;
- hedged share classes;
- liquidity risk;
- emerging markets;
- concentrated portfolios; and
- Eurozone risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	M&G Investment Funds (1) ICVC Laurence Pountney Hill London EC4R 0HH United Kingdom of Great Britain and Northern Ireland
Assets under management	EUR 2,644,790,000 as of 31 August, 2018
Fund manager (Authorised Corporate Director)	M&G Securities Limited
Investment manager	M&G Investment Management Limited
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 August
Custodian	State Street Bank and Trust Company 20 Churchill Place Canary Wharf London E14 5HJ United Kingdom of Great Britain and Northern Ireland

6. ADDRESS OF AUTHORISED CORPORATE DIRECTOR (ACD) AND REMUNERATION

M&G Securities Limited
Laurence Pountney Hill
London EC4R 0HH

United Kingdom of Great Britain
and Northern Ireland

In payment for carrying out its duties and responsibilities, the ACD is entitled to deduct the following fees from each share class in each sub-fund:

An annual management fee is based on the net assets of M&G GTF and is equal to 1.5 per cent. for the class A securities and 0.00 per cent. for the class C securities; in addition, an annual administration fee is based on the net assets of M&G GTF and is equal to 0.15 per cent. for the class A securities and 0.15 per cent. for the class C securities (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the M&G Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

M&G Investment Management Limited
Laurence Pountney Hill
London EC4R 0HH
United Kingdom of Great Britain
and Northern Ireland

The investment manager's fees and expenses will be paid by the ACD out of its remuneration as described in the section above.

8. AUDITOR

Ernst & Young LLP
10 George Street
Edinburgh EH2 2DZ
United Kingdom of Great Britain
and Northern Ireland

9. FINANCIAL INFORMATION

Financial information in respect of M&G GTF may be accessed on <http://www.mandg.lu>.

10. ADDITIONAL INFORMATION

Any additional information in respect of M&G GTF may be accessed on <http://www.mandg.lu>.

MS GLOBAL OPPORTUNITY FUND

The fund prospectus (the **MS Fund Prospectus**) of Morgan Stanley Investment Funds (**MSIF**) (<https://www.morganstanley.com/im/en-gb/intermediary-investor/funds-and-performance/morgan-stanley-investment-funds.desktop.html>) contains a detailed description of MSIF and its sub-fund MS Global Opportunity Fund (**MS GOF**).

All capitalised terms in this description of MSIF and MS GOF which are not otherwise defined herein have the same meaning as in the MS Fund Prospectus.

1. MS GLOBAL OPPORTUNITY FUND

1.1 ISIN / WKN

Class A:	Class B:	Class I:	Class Z:
ISIN: LU0552385295	ISIN: LU0552385378	ISIN: LU0834154790	ISIN: LU0552385535
WKN: A1H6XK	WKN: A1H6XL	WKN: A1J4Z0	WKN: A1H6XM

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The MS GOF securities are denominated in [USD] and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price of a MS GOF security is valued daily and the net asset value per security is calculated at the valuation point on each dealing day. The net asset value per security will be determined on the basis of the last available prices at the valuation point from the markets on which the investments of the MS GOF are principally traded. The last available price and valuation point for collective schemes in which the MS GOF invest may vary and may include prior dealing days of those collective investment schemes. The valuation point of the MS GOF security is available upon written request.

2. INVESTMENT POLICY

The MS GOF's investment objective is to seek long term appreciation, measured in US Dollars. MS GOF will seek to achieve its investment objective by investing primarily in equity securities, including depositary receipts (including American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs)), of issuers located in any country.

The investment adviser emphasises a bottom-up stock selection process, seeking attractive investments on an individual company basis. In selecting securities for investment, the investment adviser seeks high quality established and emerging companies that the investment adviser believes are undervalued at the time of purchase. The investment adviser typically favours companies it believes have sustainable competitive advantages that can be monetised through growth. The investment process integrates analysis of sustainability with respect to disruptive change, financial strength, environmental and social externalities and governance.

3. INVESTMENT RESTRICTIONS

MSIF is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where MSIF is located.

The relevant criteria and restrictions applicable to MSIF relate to, among others:

- transferable securities;
- approved money market instruments;
- UCITS and other UCIs;
- investment in deposits; and
- financial derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, MS GOF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

MS GOF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in MS GOF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, MS GOF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of MS GOF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of MS GOF is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- market risk;
- currency and exchange rates;
- liquidity risk;
- counterparty risks;
- depositary risk;
- custody risk;

- inflation/deflation risk;
- regulatory risk;
- proposed exit of UK from the European Union;
- MiFID II;
- automatic exchange information;
- taxation;
- share classes;
- potential conflicts of interest; and
- cyber security.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Morgan Stanley Investment Funds, <i>Société d'investissement à capital variable</i> European Bank and Business Centre 6B route de Trèves L-2633 Senningerberg Grand Duchy of Luxembourg
Assets under management	USD 8,200,000,000 as of 31 August 2018
Management company (authorised corporate director)	Morgan Stanley Investment Management (ACD) Limited
Investment advisers	Morgan Stanley Investment Management Limited Morgan Stanley & Co. International plc
Fund currency	USD
Length of life	Unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 December
Custodian	J.P. Morgan Bank Luxembourg S.A. European Bank and Business Centre 6 route de Trèves 2633 Senningerberg Grand Duchy of Luxembourg

6. ADDRESS OF AUTHORISED CORPORATE DIRECTOR (ACD) AND REMUNERATION

Morgan Stanley Investment Management (ACD) Limited
25 Cabot Square

Canary Wharf
London E14 4QA
United Kingdom of Great Britain
and Northern Ireland

In payment for carrying out its duties and responsibilities, the ACD is entitled to deduct the following fees from each share class in each sub-fund:

An annual management fee is based on the net assets of MS GOF and is equal to

- 1.60 per cent. for the class A securities;
- 1.60 per cent. for the class B securities;
- 0.75 per cent. for the class I securities;
- 0.75 per cent. for the class Z securities,

based on the net assets of MF GOF (and calculated in accordance with the calculation methods stipulated in the MS Fund Prospectus).

7. ADDRESS OF INVESTMENT ADVISERS AND REMUNERATION

Morgan Stanley Investment Management Limited
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom of Great Britain
and Northern Ireland

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom of Great Britain
and Northern Ireland

The investment advisers's fees and expenses (plus value added tax thereon where applicable) will be paid by the ACD out of its remuneration as described in the section above.

8. AUDITOR

Ernst & Young SA
35E, avenue J.F. Kennedy
2082 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of MS GOF may be accessed on <https://www.morganstanley.com/im/en-gb/intermediary-investor/funds-and-performance/morgan-stanley-investment-funds.desktop.html>.

10. ADDITIONAL INFORMATION

Any additional information in respect of MS GOFF may be accessed on <https://www.morganstanley.com/im/en-gb/intermediary-investor/funds-and-performance/morgan-stanley-investment-funds.desktop.html>.

JSS THEMATIC EQUITY - GLOBAL

The fund prospectus (the **JSS Fund Prospectus**) of JSS Investmentfonds, *Société d'investissement à capital variable (JSS)* (<http://www.sarasin.ch/funds>) contains a detailed description of JSS and its sub-fund JSS Thematic Equity – Global (P Eur dist.) (**JSS EG**).

All capitalised terms in this description of JSS and JSS EG which are not otherwise defined herein have the same meaning as in the JSS Fund Prospectus.

1. JSS THEMATIC EQUITY - GLOBAL

1.1 ISIN / WKN

Class P EUR dist:	Class C EUR acc:	Class C EUR dist:	Class I EUR dist:
ISIN: LU0088812606	ISIN: LU0950588508	ISIN: LU1732170219	ISIN: LU0465455912
WKN: 988087	WKN: A1W8XL	WKN: Not applicable.	WKN: A0YE4T

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The JSS EG securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price to be paid in respect of the JSS EG securities submitted for redemption will be the net asset value per JSS EG security on the valuation day, less a fee in favour of the JSS GE of up to 0.4 per cent. The net asset value of the JSS EG securities is determined on each Luxembourg banking day and disclosed on <http://www.sarasin.ch/funds>.

2. INVESTMENT POLICY

The bulk of equity investments are concentrated in liquid companies with a market capitalisation in excess of EUR 1 billion. There is no specification as to the geographic diversification of investments. Investments are allocated to the markets and sectors that are considered to provide the most attractive total return in the long term.

3. INVESTMENT RESTRICTIONS

JSS is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where JSS is located.

The relevant criteria and restrictions applicable to JSS GE relate to, among others:

- equity securities and liquid assets;

- debt securities and money market instruments;
- UCITS and other UCIs;
- convertible bonds or bonds with warrants;
- fixed income instruments;
- securities lending; and
- derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, JSS GE is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

JSS GE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in JSS GE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, JSS GE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of JSS GE considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of JSS GE is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- developments in emerging markets;
- the liquidity of the assets invested in;
- credit and counterparty risk;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate and currency risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	JSS Investmentfonds, <i>Société d'investissement à capital variable</i> 11-13, boulevard de la Foire 1528 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 196,620,000 as of 31 August 2018
Management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Investment manager	Sarasin & Partners LLP, AM Global Equity
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	United Kingdom
Fiscal year end	30 June
Custodian	RBC Investor Services Bank S.A. 14, Porte de France 4360 Esch-sur-Alzette Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

J. Safra Sarasin Fund Management (Luxembourg) S.A.
11-13, boulevard de la Foire
1528 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the management company of JSS GE is equal to a maximum of up to 1.00 per cent. p.a. in case of class C EUR acc securities, based on the net assets of JSS GE. The remuneration with respect to class P EUR dist securities, class I EUR dist securities and class I EUR dist has not been disclosed in the JSS Fund Prospectus; in addition, a service charge of up to 0.25 per cent. p.a. will occur as well as a performance-based advisory fee as set out in the JSS Fund Prospectus may be paid to the investment manager (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the JSS Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU
United Kingdom of Great Britain
and Northern Ireland

The remuneration of the investment manager of JSS GE is paid by the management company.

8. STATUTORY AUDITOR

Deloitte Audit S.à r.l.
560 Rue de Neudorf
2220 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of JSS GE may be accessed on <http://www.sarasin.co.uk>.

10. ADDITIONAL INFORMATION

Any additional information in respect of JSS GE may be accessed on <http://www.sarasin.co.uk>.

STATE STREET CANADA INDEX EQUITY FUND

The fund prospectus (the **SSgA Fund Prospectus**) of State Street Global Advisors Luxembourg SICAV (**SSgA**) (<http://www.ssga.com>) contains a detailed description of SSgA and its sub-fund SSgA Canada Index Equity Fund (**SSgA Canada**).

All capitalised terms in this description of SSgA and SSgA Canada which are not otherwise defined herein have the same meaning as in the SSgA Fund Prospectus.

1. STATE STREET CANADA INDEX EQUITY FUND

1.1 ISIN / WKN

Class P:	Class I:
ISIN: LU1159237657	ISIN: LU1159237574
WKN: A14XZ4	WKN: A14YLP

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The SSgA Canada securities are denominated in CAD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The net asset value is established daily, except on Saturdays, Sundays and official public holidays in France and/or Canada and days when the stock markets in Paris and/or Montreal are closed. The net asset value is available daily on the internet at www.ssga.com, on Bloomberg. <SSGCIPC LX> or from the fund manager on +49 69 667745016.

Redemptions may be made in cash and/or by contribution of transferable securities. The exit price is that resulting from the next net asset value per share, calculated on the basis of the day's closing prices. When SSgA Canada's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

2. INVESTMENT POLICY

The investment objective of SSgA Canada is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Canada Index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1 per cent.

Benchmark index: MSCI Canada, the replication sought is close to 1.0.

- The MSCI Canada represents all the shares listed in Canada.
- Currency: Canadian dollar

- Exchange rates applied: Closing.
- Reinvestment of net dividends.
- Geographical reference zone: Canada
- Type of index: Equities.
- The composition of the reference index may contain securities that account for more than 10 per cent. of the total.
- Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives. The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

3. INVESTMENT RESTRICTIONS

SSgA is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where SSgA is located.

As an index-based UCITS, SSgA may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. SSgA may invest up to 20 per cent. of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35 per cent. for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, SSgA may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, SSgA will generally only hold a sub-set of securities included in the index.

The relevant criteria and restrictions applicable to SSgA Canada relate to, among others:

- Canadian equities;
- debt securities and money market instruments;
- mutual fund units;
- investment in deposits;
- derivatives; and
- securities lending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, SSgA Canada is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

SSgA Canada is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in SSgA Canada exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

The performance of SSgA Canada is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- achievement of the management objectives;
- change in the weightings of the benchmark index;
- costs and expenses;
- tracking of the index performance;
- market disruption;
- liquidity;
- tracking errors;
- credit and counterparties;
- securities lending;
- currency exchange; and
- derivatives.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	State Street Global Advisors Luxembourg SICAV 49, Avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg
Assets under management	CAD 100,620,000 as of 31 July 2018
Management Company	State Street Global Advisors Fund Management Sàrl
Investment Manager	State Street Global Advisors Limited

Fund currency	CAD
Length of life	unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 December
Custodian	State Street Bank Luxembourg S.C.A. 49, Avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF FUND MANAGER AND REMUNERATION

State Street Global Advisors Fund Management Limited
49, Avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

For further details with respect to the remuneration of the fund manager of SSgA Canada, please refer to page 585 of the SSgA Fund Prospectus.

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

State Street Global Advisors Limited
20 Churchill Place
Canary Wharf
London E14 5HJ
United Kingdom of Great Britain
and Northern Ireland

The remuneration of the investment manager of SSgA Canada is equal to a maximum of up to

- 0.60 per cent. p.a. in case of class P securities;
- 0.20 per cent. p.a. in case of class I securities,

based on the net assets of SSgA Canada (and calculated in accordance with the calculation methods stipulated in the SSgA Fund Prospectus).

8. STATUTORY AUDITOR

PricewaterhouseCoopers, *Société Coopérative*
400, route d'Esch
P.O. Box 1443
1014 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of SSgA Canada may be accessed on <http://www.ssga.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of SSgA Canada may be accessed on <http://www.ssga.com>.

STATE STREET PACIFIC EX-JAPAN INDEX EQUITY FUND

The fund prospectus (the **SSgA Fund Prospectus**) of State Street Global Advisors Luxembourg SICAV (SSgA) (<http://www.ssga.com>) contains a detailed description of SSgA and its sub-fund State Street Pacific Ex-Japan Index Equity Fund (**SSgA PEJ**).

All capitalised terms in this description of SSgA and SSgA PEJ which are not otherwise defined herein have the same meaning as in the SSgA Fund Prospectus.

1. STATE STREET PACIFIC EX-JAPAN INDEX EQUITY FUND

1.1 ISIN / WKN

Class P:	Class I:	Class B:
ISIN: LU1161083644	ISIN: LU1161082836	ISIN: LU1161085342
WKN: A14Z5J	WKN: A14Z5H	WKN: A140SD

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The SSgA PEJ securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The net asset value is established daily, except on Saturdays, Sundays and official public holidays in France and/or Singapore and days when the stock markets in Paris and/or Singapore are closed. The net asset value is available daily on the internet at www.ssga.com, on Bloomberg. <SSPXJPU LX>, or from the fund manager on +49 69667745016.

Redemptions may be made in cash and/or by contribution of transferable securities. The exit price is that resulting from the next net asset value per share, calculated on the basis of the day's closing prices. When SSgA PEJ's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

2. INVESTMENT POLICY

The investment objective of SSgA PEJ is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Pacific Ex-Japan index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1 per cent.

Benchmark index: MSCI Pacific Ex-Japan, the replication sought is close to 1.0.

- The MSCI Pacific Ex-Japan Index is a free float-adjusted (i.e. considering only those shares of the company that are freely available on the open market), market capitalisation-weighted index of approximately 143 securities, providing investors with a benchmark for large and mid-sized companies in Australia, Hong Kong, New Zealand and Singapore. The Index

covers approximately 85 per cent. of the free float market capitalisation in each country and is rebalanced on a quarterly basis.

- Currency: Singapore dollar.
- Exchange rates applied: Closing.
- Reinvestment of net dividends.
- Geographical reference zone: Singapore.
- Type of index: Equities.
- The composition of the reference index may contain securities that account for more than 10 per cent. of the total.
- Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, SSgA PEJ may purchase securities that are not included in the index.

3. INVESTMENT RESTRICTIONS

SSgA is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where SSgA is located.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20 per cent. of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35 per cent. for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

The relevant criteria and restrictions applicable to SSgA PEJ relate to, among others:

- Singapore equities;
- debt securities and money market instruments;
- mutual fund units;
- investment in deposits;
- derivatives; and

- securities lending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, SSgA PEJ is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

SSgA PEJ is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in SSgA PEJ exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

The performance of SSgA PEJ is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- achievement of the management objectives;
- change in the weightings of the benchmark index;
- costs and expenses;
- tracking of the index performance;
- market disruption;
- liquidity;
- tracking errors;
- credit and counterparties;
- securities lending;
- currency exchange; and
- derivatives.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	State Street Global Advisors Luxembourg SICAV 49, Avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg
Assets under management	USD 96,210,000 as of 31 July 2018
Management Company	State Street Global Advisors Luxembourg Management Sàrl

Investment Manager	State Street Global Advisors Limited
Fund currency	USD
Length of life	unlimited
Portfolio management location	United Kingdom
Fiscal year end	31 December
Custodian	State Street Bank Luxembourg S.C.A. 49, Avenue J.F. Kennedy 1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

State Street Global Advisors Fund Management Limited
49, Avenue J.F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

For further details with respect to the remuneration of the fund manager of SSgA PEJ, please refer to page 650f the SSgA Fund Prospectus.

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

State Street Global Advisors Limited
20 Churchill Place
Canary Wharf
London E14 5HJ
United Kingdom of Great Britain
and Northern Ireland

The remuneration of the investment manager of SSgA PEJ is equal to a maximum of up to

- 0.60 per cent. p.a. in case of class P securities;
- 0.20 per cent. p.a. in case of class I securities;
- 0.00 per cent. p.a. in case of class B securities,

based on the net assets of SSgA PEJ (and calculated in accordance with the calculation methods stipulated in the SSgA Fund Prospectus).

8. STATUTORY AUDITOR

PricewaterhouseCoopers, *Société Coopérative*
400, route d'Esch
P.O. Box 1443
1014 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of SSgA PEJ may be accessed on <http://www.ssga.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of SSgA PEJ may be accessed on <http://www.ssga.com>.

TEMPLETON GLOBAL FUND

The fund prospectus (the **Franklin Templeton Fund Prospectus**) of Franklin Templeton Investment Funds, *Société d'investissement à capital variable (Franklin Templeton)* (<http://www.franklintempleton.lu>) contains a detailed description of Franklin Templeton and its sub-fund Templeton Global Fund (TGF).

All capitalised terms in this description of Franklin Templeton and TGF which are not otherwise defined herein have the same meaning as in the Franklin Templeton Fund Prospectus.

1. FRANKLIN TEMPLETON GLOBAL FUND

1.1 ISIN / WKN

The following classes of securities are eligible to invest in:

Class A (Ydis):	Class A (Acc):	Class N (Acc):	Class W (Ydis):
ISIN: LU0029864427	ISIN: LU0128525929	ISIN: LU0109401686	ISIN: LU0959061093
WKN: 971654	WKN: 785336	WKN: 937452	WKN: A1W3XP

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The TGF securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which TGF securities will be redeemed will be based on the net asset value per TGF security. The net asset value is made public at the registered office of Franklin Templeton and is available at the offices of the management company. This information is also available on the Internet site: <http://www.franklintempleton.lu>.

2. INVESTMENT POLICY

TGF 's investment objective is capital appreciation. TGF invests in equity securities and debt securities convertible or expected to be convertible into common or preferred stocks of companies of any market capitalisation located anywhere in the world, including emerging markets. At least half of TGF's net assets without taking into account ancillary liquid assets shall be made in equity securities or similar instruments. TGF may also invest in American, European and global depositary receipts. TGF invests in both "value" and "growth" stocks and the allocation of net assets to each is monitored and rebalanced regularly.

3. INVESTMENT RESTRICTIONS

Franklin Templeton is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment

policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Franklin Templeton is located.

The relevant criteria and restrictions applicable to TGF relate to, among others:

- transferable securities and liquid assets;
- UCITS and other UCIs;
- other assets (such as real estate, precious metals, commodities, loans, security agreements);
- securities lending;
- derivative instruments; and
- other local restrictions.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, TGF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

TGF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in TGF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, TGF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of TGF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of TGF is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- convertible securities risk;
- counterparty risk;
- equity risk;
- Eurozone risk;
- foreign currency risk;
- growth stocks risk;
- liquidity risk;
- market risk;
- securities lending risk; and

– value stocks risk.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Franklin Templeton Investment Funds, <i>Société d'investissement à capital variable</i> 8A, rue Albert Borschette 1246 Luxembourg Grand Duchy of Luxembourg
Assets under management	USD 1,150,000,000 as of 31 August 2018
Management company	Franklin Templeton International Services S.à r.l.
Investment manager	Templeton Global Advisors Limited
Fund currency	USD
Length of life	Unlimited
Portfolio management location	Bahamas
Fiscal year end	30 June
Custodian	J.P. Morgan Bank Luxembourg S.A. European Bank & Business Centre 6 route de Trèves 2633 Senningerberg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Franklin Templeton International Services S.à r.l.
8A, rue Albert Borschette
1246 Luxembourg
Grand Duchy of Luxembourg

The management company of FGSMCGF will receive as remuneration an annual fee of up to 0.20 per cent. of the net asset value of the relevant share class, an additional amount (consisting of a fixed and variable component) per investor holding the relevant class level over each period of one year, and a fixed amount per year to cover part of its organisational expenses (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the Franklin Templeton Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Franklin Advisers INC
One Franklin Parkway
San Mateo, CA 94403-1906
Unites States of America

The investment managers of Franklin Templeton will be remunerated by the management company out of the investment management fee received from Franklin Templeton which is charged to TGF directly by Franklin Templeton. The remuneration of the investment manager of TGF is equal to

- a maximum of up to 1.00 per cent. p.a. in case of class A (Ydis) securities;
- a maximum of up to 0.70 per cent. p.a. in case of class A (Acc) securities;
- a maximum of up to 1.00 per cent. p.a. in case of class N (Acc) securities;
- a maximum of up to 0.70 per cent. p.a. in case of class W (Ydis) securities,

based on the net assets of TGF (and calculated in accordance with the calculation methods stipulated in the Franklin Templeton Fund Prospectus).

8. STATUTORY AUDITOR

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator
2182 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of TGF may be accessed on <http://www.franklintempleton.lu>.

10. ADDITIONAL INFORMATION

Any additional information in respect of TGF may be accessed on <http://www.franklintempleton.lu>.

THREADNEEDLE GLOBAL SELECT FUND

The fund prospectus (the **Threadneedle Fund Prospectus**) of Threadneedle Investment Funds ICVC (**Threadneedle**) (<http://www.threadneedle.co.uk/en/Funds/Document-Centre/Legal-Documents/>) contains a detailed description of Threadneedle and its sub-fund Global Select Fund (**TGSF**).

All capitalised terms in this description of Threadneedle and TGSF which are not otherwise defined herein have the same meaning as in the Threadneedle Fund Prospectus.

1. THREADNEEDLE GLOBAL SELECT FUND

1.1 ISIN / WKN

Class RNA:	Class INA:	Class ZNA:	Class XNA:
ISIN: GB0002769312	ISIN: GB00B3KZX625	ISIN: GB00B9283R20	ISIN: GB00B0ZZSD84
WKN: 987677	WKN: A0RE03	WKN: A1T7J4	WKN: A0JKDP

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The TGSF securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The most recent price of the TGSF securities will be available at www.threadneedle.com. The price at which the TGSF securities are sold is based on the net asset value of TGSF plus any initial charge, adjusted to include any applicable dilution adjustment. The net asset value of TGSF is calculated from Monday to Friday excluding public and bank holidays in England and Wales and other days at Threadneedle's authorised corporate director's discretion.

2. INVESTMENT POLICY

TGSF's investment policy is to invest the assets of TGSF primarily in equities issued by companies worldwide. The portfolio may be concentrated geographically or with respect to stock and sector positions, which may lead to increased levels of volatility. If Threadneedle's authorised corporate director considers it desirable, it may further invest in other securities (including fixed interest securities, other equities and money market securities).

3. INVESTMENT RESTRICTIONS

Threadneedle is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Threadneedle is located.

The relevant criteria and restrictions applicable to TGSF relate to, among others:

- transferable securities and money market instruments;
- eligible securities and derivatives markets
- UCITS and other UCIs;
- lending and borrowing of money
- deposits and cash;
- stock lending;
- short sales; and
- derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, TGSF is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

TGSF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in TGSF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, TGSF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of TGSF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of TGSF is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- credit risk;
- developments in emerging markets;
- the liquidity of the assets invested in;
- cash concentration;
- the use of derivative financial instruments;
- interest rate movements; and
- currency exchange rates.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Threadneedle Investment Funds ICVC Cannon Place 78 Cannon Street London EC4N 6AG United Kingdom of Great Britain and Northern Ireland
Assets under management	USD 1,714,000,000 as of 31 August 2018
Authorised corporate director	Threadneedle Investment Services Limited
Investment manager	Threadneedle Asset Management Ltd.
Fund currency	USD
Length of life	Unlimited
Portfolio Management Location	United Kingdom
Fiscal year end	7 March
Custodian	Citibank International PLC Citigroup Centre Canada Square Canary Wharf London E14 5LB United Kingdom of Great Britain and Northern Ireland

6. ADDRESS OF CORPORATE AUTHORISED DIRECTOR (ACD) AND REMUNERATION

Threadneedle Investment Services Limited
P.O. Box 10033
Chelmsford Essex CM99 2AL
United Kingdom of Great Britain
and Northern Ireland

In payment for carrying out its duties and responsibilities, the ACD is entitled to deduct the following fees from TGSF:

An annual management fee is based on the net assets of TGSF and is equal to 1.5 per cent. (and calculated in accordance with the calculation methods stipulated in the Threadneedle Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Threadneedle Asset Management Ltd.
60 St Mary Axe
London EC3A 8JQ
United Kingdom of Great Britain
and Northern Ireland

The remuneration of the investment manager of TGSF will be paid by the ACD of Threadneedle out of its remuneration as described in the section above.

8. STATUTORY AUDITOR

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom of Great Britain
and Northern Ireland

9. FINANCIAL INFORMATION

Financial information in respect of Threadneedle may be accessed on <http://www.threadneedle.co.uk>.

10. ADDITIONAL INFORMATION

Any additional information in respect of Threadneedle may be accessed on <http://www.threadneedle.co.uk>.

TIMBERLAND FUNDS SPC - TIMBERLAND EQUITIES SP

The fund prospectus (the **Timberland Fund Prospectus**) of Timberland Funds SPC (**Timberland Funds SPC**) contains a detailed description of Timberland Funds SPC and its Segregated Portfolio Timberland Equities SP (**Timberland TE**).

All capitalised terms in this description of Timberland Funds SPC and Timberland TE which are not otherwise defined herein have the same meaning as in the Timberland Fund Prospectus.

1. TIMBERLAND FUNDS SPC - TIMBERLAND EQUITIES SP

1.1 ISIN / WKN

Timberland Equities SP:

ISIN: Not applicable.

WKN: TSE001

At the date of this Base Prospectus, no separate classes of securities (*Anteilsklassen*) have been inducted. Nonetheless, separate classes may be established in the future without any control or influence of the Issuer. In the latter case, the Issuer is free to determine such other newly established class of securities as an eligible class of securities under this section entitled "*Description of the Fund Shares*".

1.2 Securities

(c) Description of the securities:

The Timberland TE Securities are shares in Timberland TE. The Timberland TE Securities are capitalisation shares denominated in EUR that do not, as a general rule, entitle the holder to a dividend, but where the amount to be distributed is reinvested in Timberland TE Securities.

(d) Frequency of the publication of the price of the securities:

The price of the Timberland TE Securities will be disclosed from time to time, at least once a year. This information is available on request from the Administrator of the fund.

2. INVESTMENT POLICY

The investment objective of Timberland TE is to achieve a reasonable return on the capital invested under its investment strategy.

2. INVESTMENT RESTRICTIONS

Timberland TE is an exempted company incorporated with limited liability and registered as a segregated portfolio company in the Cayman Islands on 16 June 2015 under the Companies Law. The Company will be regulated as a mutual fund under the Mutual Funds Law (2015 Revision) of the Cayman Islands. The minimum initial subscription amount is a minimum of US\$100,000 or its equivalent in the Base Currency.

The relevant criteria and restrictions applicable to Timberland TE relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- derivative financial instruments; and

- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, Timberland TE is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

Timberland TE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in Timberland TE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, Timberland TE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of Timberland TDI considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of Timberland TE is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments;
- developments in emerging markets;
- the liquidity of the assets invested in;
- concentration risk;
- key management persons;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Timberland Funds SPC Boundary Hall Cricket Square Grand Cayman KY1-1102 Cayman Islands
Assets under management	N/A as at 30 September 2018
Management company	Timberland Fund Management Ltd

Investment manager	Timberland Fund Management Ltd
Fund currency	EUR
Length of life	Unlimited
Portfolio management location	Malta
Fiscal year end	31 December

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Timberland Fund Management Ltd
Aragon House
St. George's Park
St. Julian's STJ 3140
Malta

The remuneration of the management company of Timberland TE is equal to up to 1.50 per cent. p.a. payable monthly and based on of the average net assets of Timberland TDI for the month concerned.

7. ADDRESS OF FUND MANAGER AND REMUNERATION

Timberland Fund Management Ltd
Aragon House
St. George's Park
St. Julian's STJ 3140
Malta

The investment manager of Timberland TDI will receive a fee paid out of the remuneration of the management company of Timberland TDI in addition to a performance-based fee of up to 15 per cent. p.a.

8. STATUTORY AUDITOR

Information in the Statutory Auditor in respect of Timberland TE may be accessed from the Management Company.

9. FINANCIAL INFORMATION

Financial information in respect of Timberland may be accessed from the Management Company.

10. ADDITIONAL INFORMATION

Any additional information in respect of Timberland may be accessed from the Management Company.

TWEEDY, BROWNE INTERNATIONAL VALUE FUND

The fund prospectus (the **TB Fund Prospectus**) of Tweedy, Browne Value Funds, *Société d'investissement à capital variable (Tweedy, Browne)* (<http://www.tweedysicav.com>) contains a detailed description of Tweedy and its sub-fund Tweedy, Browne International Value Fund (CHF) (**TB IVF**).

All capitalised terms in this description of Tweedy, Browne and TB IVF which are not otherwise defined herein have the same meaning as in the TB Fund Prospectus.

1. TWEEDY, BROWNE INTERNATIONAL VALUE FUND

1.1 ISIN / WKN

TB IVF:

ISIN: LU0076398725

WKN: 987163

At the date of this Base Prospectus, no further classes of securities (*Anteilsklassen*) denominated in CHF have been inducted. Nonetheless, separate additional classes may be established in the future without any control or influence of the Issuer. In the latter case, the Issuer is free to determine such other newly established class of securities as an eligible class of securities under this section entitled "*Description of the Fund Shares*".

1.2 Securities

(a) Description of the securities:

The TB IVF securities are denominated in CHF and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

TB IVF securities are generally redeemable on 10 calendar days' prior notice on the fifteenth and the last calendar days of each month or, if either of the fifteenth calendar day or last calendar day is not a business day, the first preceding business day. TB IVF securities will be redeemed at a price equal to the net asset value per TB IVF security.

The redemption price of the TB IVF Securities is published on a daily basis in German newspapers, *Börsen-Zeitung* (P.O. Box 11 09 32, 60044 Frankfurt am Main, Germany) and *Frankfurter Allgemeine* (60267 Frankfurt am Main, Germany). The net asset value per TB IVF Security is made public at the registered office of Tweedy, Browne and is available at the offices of State Street Bank Luxembourg S.A. This information is also available on <http://www.tweedysicav.com>.

2. INVESTMENT POLICY

The primary emphasis of TB IVF is on the preservation of capital while seeking a satisfactory rate of return. TB IVF's investment philosophy is based on the concept of "intrinsic value" of a share. As such, TB IVF aims to take advantage of fluctuations in stock prices by purchasing securities at prices significantly below their intrinsic value, and selling securities as their market price approaches intrinsic value.

TB IVF seeks to achieve capital appreciation by investing throughout the world in a diversified portfolio consisting primarily of equity securities of non-U.S. issuers admitted to or dealt in on a

regulated market. The use of "CHF" in the name of TB IVF indicates the base currency of TB IVF and not necessarily the currency of denomination of TB IVF's investments.

TB IVF may invest without limitation in securities denominated in currencies other than the Swiss Franc. It is intended, although not required, that the securities positions of TB IVF be hedged to its base currency. Up to 20 per cent. of the net asset value of TB IVF may be invested in securities of U.S. issuers admitted to or dealt in on a regulated market. Although investments in U.S. securities are permitted, these investments will be made when opportunities in the U.S. appear more attractive. TB IVF uses the commitment approach to monitor and measure its global exposure.

3. INVESTMENT RESTRICTIONS

Tweedy, Browne is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Tweedy, Browne is located.

The relevant criteria and restrictions applicable to TB IVF relate to, among others:

- transferable securities;
- approved money market instruments;
- collective investment schemes;
- bank deposits;
- use of derivative instruments;
- master-feeder structures;
- investments of TB IVF into another sub-fund of Tweedy, Browne; and
- stock lending.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, TB IVF is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

TB IVF is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in TB IVF exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, TB IVF may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of TB IVF considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of TB IVF is generally dependent on the implementation of its investment policy and is influenced in particular by the following risk factors:

- small and medium capitalisation stocks;
- illiquid securities;
- distressed securities;
- securities lending;
- investment in derivatives;
- hedging techniques; and
- emerging markets.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Tweedy, Browne Value Funds SICAV 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Assets under management	CHF 240,600,000 as of 31 August 2018
Management Company (Luxembourg Central Administrator)	State Street Bank Luxembourg S.A.
Investment manager	Tweedy, Browne Company LLC One Station Place Stamford, Connecticut 06902 United States of America
Fund currency	CHF
Length of life	Unlimited
Portfolio management location	United States of America
Fiscal year end	30 September
Custodian	State Street Bank Luxembourg S.A. 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY (LUXEMBOURG CENTRAL ADMINISTRATOR) AND REMUNERATION

State Street Bank Luxembourg S.A.
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

TB IVF pays to the management company a fee, based on the net assets of TB IVF and calculated on a scaled fee structure from 0.03 to 0.75 per cent., plus a transaction fee; in addition, TB IVF pays an annual fee calculated on a scaled fee structure from 0.06 per cent. to 0.10 per cent. of the net assets of TB IVF (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the TB Fund Prospectus).

7. ADDRESS OF INVESTMENT MANAGER AND REMUNERATION

Tweedy, Browne Company LLC
One Station Place
Stamford, Connecticut 06902
United States of America

TB IVF pays an investment management fee to the investment manager at an annual rate of 1.25 per cent. based on the net assets of TB IVF (and calculated in accordance with the calculation methods stipulated in the TB Fund Prospectus).

8. AUDITOR

Ernst & Young S.A.
35E, Avenue John F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

9. FINANCIAL INFORMATION

Financial information in respect of TB IVF may be accessed on <http://www.tweedysicav.com>.

10. ADDITIONAL INFORMATION

Any additional information in respect of TB IVF may be accessed on <http://www.tweedysicav.com>.

UNIGLOBAL

The fund prospectus (the **UniG Fund Prospectus**) of UniGlobal (**UniG**) (http://privatkunden.union-investment.de/handle?action=downloadSucheVku&lookup=true&obj_isin=DE0008491051) contains a detailed description of UniG.

All capitalised terms in this description of UniG which are not otherwise defined herein have the same meaning as in the UniG Fund Prospectus.

1. UNIGLOBAL

1.1 ISIN / WKN

Class UniGlobal:	Class UniGlobal I:
ISIN: DE0008491051	ISIN: DE000A0M80N0
WKN: 849105	WKN: A0M80N

The above displayed classes of securities (*Anteilsklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The UniG securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price at which the UniG securities will be issued or redeemed will be published regularly on www.privatkunden.union-investment.de.

2. INVESTMENT POLICY

UniG is an equity fund whose investment objective is to generate market practice revenues and long term capital growth.

3. INVESTMENT RESTRICTIONS

UniG is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where UniG is located.

The relevant criteria and restrictions applicable to UniG relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- bank deposits; and

- derivative financial instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, UniG is subject to volatility, which means that the price per unit may be subject to considerable downward or upward fluctuation, even within short periods of time.

UniG is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in UniG exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, UniG may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of UniG considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of UniG is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- securities lending;
- the use of leverage techniques;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Union Investment Privatfonds GmbH Wiesenhüttenstraße 10 60329 Frankfurt am Main Federal Republic of Germany
Assets under management	EUR 5,860,000 as of 31 August, 2018
Capital management company	Union Investment Privatfonds GmbH
Fund currency	EUR

Length of life	Unlimited
Portfolio management location	Germany
Fiscal year end	30 September
Custodian	DZ Bank AG Deutsche Zentral-Genossenschaftsbank Platz der Republik 60265 Frankfurt am Main Federal Republic of Germany

6. ADDRESS OF CAPITAL MANAGEMENT COMPANY AND REMUNERATION

Union Investment Privatfonds GmbH
Wiesenhüttenstraße 10
60329 Frankfurt am Main
Federal Republic of Germany

The remuneration of the capital management company of UniG is equal to

- 1.20 per cent. p.a. in case of class Uniglobal securities;
- 0.70 per cent. p.a. in case of class Uniglobal I securities,

based on the net assets of UniGlobal and an additionally flat rate fee of 0.25 per cent. p.a. of the net asset value of UniG (each of the before-mentioned remuneration items calculated in accordance with the calculation methods stipulated in the UniG Fund Prospectus).

7. STATUTORY AUDITOR

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
Mergenthalerallee 3-5
65760 Eschborn
Federal Republic of Germany

8. FINANCIAL INFORMATION

Financial information in respect of UniG may be accessed on <http://privatkunden.union-investment.de>.

9. ADDITIONAL INFORMATION

Any additional information in respect of UniG may be accessed on <http://privatkunden.union-investment.de>.

VALUEINVEST LUX GLOBAL

The fund prospectus (the **ValueInvest Fund Prospectus**) of ValueInvest Lux Global, *Société d'investissement à capital variable* (**VILG**) (http://issuu.com/ValueInvest/docs/prospectus_vilux_dec_2011_en?e=1005321/3364073) contains a detailed description of VILG and its sub-fund ValueInvest Lux-Global (**VI Lux-Global**).

All capitalised terms in this description of VILG and VI Lux-Global which are not otherwise defined herein have the same meaning as in the ValueInvest Fund Prospectus.

1. VALUEINVEST LUX GLOBAL

1.1 ISIN / WKN

Class AC:	Class AD:	Class IC:	Class BC:
ISIN: LU0135991064	ISIN: LU0135990504	ISIN: LU0251043070	ISIN: LU1140592186
WKN: AOBLT7	WKN: A0D838	WKN: A0MWMK	WKN: Not applicable.

The above displayed classes of securities (*Anteilklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The VI Lux-Global securities are denominated in EUR and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The price of the VI Lux-Global securities is published daily.

2. INVESTMENT POLICY

VI Lux-Global shall be invested broadly and globally in publicly listed shares. VI Lux-Global may hold on an ancillary basis liquid assets (cash) for not more than 10 per cent. of its total assets.

The investment manager seeks to help to construct a widely diversified portfolio of small, medium and large capitalization shares from a variety of industries and a variety of countries.

The objective of VI Lux-Global is to uncover shares whose current market prices are at significant discounts to the investment manager's estimate of their true Fair Value. These stocks are considered to be value stocks. Value stocks are determined by the investment manager on the basis of fundamental criteria and are selected regardless of their market capitalization (small, mid, large caps), sector or geographical location.

VI Lux-Global assets are invested worldwide in publicly listed companies deemed by the investment manager to be value stocks.

VI Lux-Global is designed for long-term value investors who wish to focus their investment exposure on foreign share markets of developed countries.

3. INVESTMENT RESTRICTIONS

VILG is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where VILG is located.

The relevant criteria and restrictions applicable to VI Lux-Global relate to, among others:

- equity securities and liquid assets;
- debt securities and money market instruments;
- UCITS and other UCIs;
- securities lending; and
- derivative instruments.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, VI Lux-Global is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

VI Lux-Global is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in VI Lux-Global exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, VI Lux-Global may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of VI Lux-Global considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of VI Lux-Global is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- interest rate movements; and
- exchange rate movements of non-Euro currencies in relation to the Euro.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	ValueInvest LUX, <i>Société d'investissement à capital variable</i> 11, rue Aldringen L-1118 Luxembourg Grand Duchy of Luxembourg
Assets under management	EUR 794,710,000 as of 31 August 2018
Fund Manager	ValueInvest Asset Management S.A.
Fund Currency	EUR
Length of life	Unlimited
Portfolio Management Location	Luxembourg
Fiscal year end	31 December
Custodian	KBL European Private Bankers S.A 43, Boulevard Royal L-2955 Luxembourg Grand Duchy of Luxembourg

6. ADDRESS OF FUND MANAGER AND REMUNERATION

ValueInvest Asset Management S.A.
134, route d'Arlon
L-8008 Strassen
Grand Duchy of Luxembourg

The remuneration of the fund manager of VI Lux-Global is equal to

- 0.75 per cent. p.a. in case of class AC securities;
- 0.75 per cent. p.a. in case of class AD securities;
- 0.75 per cent. p.a. in case of class IC securities;
- 0.75 per cent. p.a. in case of class BC securities;

based on the net assets of VI Lux-Global (and calculated in accordance with the calculation methods stipulated in the ValueInvest Fund Prospectus).

7. STATUTORY AUDITOR

Deloitte Audit S.à r.l.
560 rue de Neudorf
2220 Luxembourg
Grand Duchy of Luxembourg

8. FINANCIAL INFORMATION

Financial information in respect of VI Lux-Global may be accessed on <http://www.ValueInvest.lu>.

9. ADDITIONAL INFORMATION

Any additional information in respect of VI Lux-Global may be accessed on <http://www.ValueInvest.lu>.

VONTOBEL FUND - GLOBAL EQUITY

The fund prospectus (the **Vontobel Fund Prospectus**) of Vontobel Fund, *Société d'investissement à capital variable (Vontobel)* ([https://funds.vontobel.com/EN/Quality-Growth/Vontobel-Fund-Global-Equity-\(ex-US\)](https://funds.vontobel.com/EN/Quality-Growth/Vontobel-Fund-Global-Equity-(ex-US))) contains a detailed description of Vontobel and its sub-fund Vontobel Fund – Global Equity (**VGE**).

All capitalised terms in this description of Vontobel which are not otherwise defined herein have the same meaning as in the Vontobel Fund Prospectus.

1. VONTOBEL FUND - GLOBAL EQUITY

1.1 ISIN / WKN

Class A:	Class AN:	Class B:	Class C:
ISIN: LU0218910023	ISIN: LU1683485921	ISIN: LU0218910536	ISIN: LU0218910965
WKN: A0EQVB	WKN: Not applicable.	WKN: A0EQVC	WKN: A0EQVE
Class I:	Class N:		
ISIN: LU0278093595	ISIN: LU0858753451		
WKN: A0MKU2	WKN: A1J8XG		

The above displayed classes of securities (*Anteilstklassen*) may be subject to material or editorial changes without any control or influence of the Issuer. In addition, the Issuer may – at its sole discretion – vary or amend the list of eligible classes of securities.

1.2 Securities

(a) Description of the securities:

The VGE securities are denominated in USD and may, depending on the respective class of securities, either be (i) distribution securities (that entitle the holder to a dividend which is to be paid out) or (ii) accumulation securities (that do not, as a general rule, entitle the holder to a dividend, but where the net income attributable to a security is accumulated so that it is reflected in the increased value of that security).

(b) Frequency of the publication of the price of the securities:

The VGE securities will be redeemed on the basis of the net asset value of VGE (plus a redemption charge (if applicable)). The net asset value per VGE security is calculated on each valuation day. A list of days on which the net asset value per share is not calculated, is available upon request at the registered office of the management company.

2. INVESTMENT POLICY

The investment objective of VGE is to achieve the most high value growth in USD. While investing the assets of VGE the principle of risk diversification is taken into account. VGE invests primarily in equity, equity-related transferable securities and participation certificates issued by companies around the world exempt for companies with headquarter in the United States of America.

3. INVESTMENT RESTRICTIONS

Vontobel is subject to the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and to the investment restrictions set out therein. The investment restrictions applying to UCITS are set out in Chapter VII entitled "Obligations concerning the investment policies of UCITS" of Directive 2009/65/EC, as implemented by the national law of the Member State where Vontobel is located.

The relevant criteria and restrictions applicable to VGE relate to, among others:

- transferable securities and money market instruments;
- UCITS and other UCIs;
- effective portfolio management instruments and techniques;
- derivative financial instruments; and
- borrowings, loans, deposits and short sales.

4. PRINCIPAL RISK FACTORS

Due to the composition and the techniques applied by its fund management, VGE is subject to volatility, which means that the price per share may be subject to considerable downward or upward fluctuation, even within short periods of time.

VGE is subject to market risk. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets, as well as in the economic situations of issuers and their perceived creditworthiness, which are themselves impacted by the general world economy as well as the economic and political conditions prevailing in their own country.

Investing in VGE exposes investors to a number of risks, which may include or may be linked to risks associated with equity securities, debt securities, derivative contracts, other financial instruments, exchange rates, interest rates, credit rates, counterparties and volatility; investments may also be exposed to political risks and the risk of force majeure events occurring. Each of the afore-mentioned risks may also occur in combination with other risks.

In addition, VGE may temporarily concentrate more or less intensively on particular sectors, countries or market segments which may entail the risk that the performance of VGE considerably decreases as a result of any negative event or trend in such sectors, countries or market segments.

The performance of VGE is generally dependent on the implementation of its investment policy and is influenced in particular by the following factors, which give rise to both opportunities and risks:

- general market developments; especially but not limited to the development of equities;
- developments in emerging markets;
- the liquidity of the assets invested in;
- the use of derivative financial instruments;
- counterparty risk;
- interest rate movements; and
- exchange rate movements.

The risk factors listed in this section are not exhaustive.

5. CORPORATE INFORMATION

Address	Vontobel Fonds, <i>Société d'investissement à capital variable</i> 11-13, Boulevard de la Foire 1528 Luxembourg
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	Grand Duchy of Luxembourg
Assets under management	USD 40,610,000 as of 31 August 2018
Management company	Vontobel Asset Management S.A.
Fund Currency	USD
Length of life	Unlimited
Portfolio Management Location	New York
Fiscal year end	31 August
Custodian	RBC Investor Services Bank S.A. 14, Porte de France 4360 Esch-sur-Alzette Grand Duchy of Luxembourg

6. ADDRESS OF MANAGEMENT COMPANY AND REMUNERATION

Vontobel Asset Management S.A.
2-4, rue Jean l'Aveugle
1148 Luxembourg
Grand Duchy of Luxembourg

The remuneration of the fund manager of VGE is equal to

- 1.65 per cent. p.a. in case of class A securities;
- 1.25 per cent. p.a. in case of class AN securities;
- 1.65 per cent. p.a. in case of class B securities;
- 0.825 per cent. p.a. in case of class I securities;
- 1.25 per cent. p.a. in case of class N securities,

based on the net assets of VGE (and calculated in accordance with the calculation methods stipulated in the Vontobel Fund Prospectus).

7. STATUTORY AUDITOR

Ernst & Young S.A.
35E, Avenue John F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

8. FINANCIAL INFORMATION

Financial information in respect of VGE may be accessed on <https://funds.vontobel.com>.

9. ADDITIONAL INFORMATION

Any additional information in respect of VGE may be accessed on <https://funds.vontobel.com>.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA

The Notes are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). Consequently, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast), as amended, Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, as amended ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, on the prospectus to be published when securities are offered to the public or admitted to trading, as amended.]

Final Terms

dated [insert date]

TIMBERLAND SECURITIES SPC

Issue of [insert name of the Securities]

(the "**Securities**" or "**Notes**")

Issue Date: [●]

Series Number: [●]

*These final terms (the "**Final Terms**") have been prepared for the purposes of Article 5 para. 4 of the Directive 2003/71/EC, as amended. In order to get the full information the Final Terms are to be read together with the information contained in (a) the base prospectus of Timberland Securities SPC (the "**Issuer**") dated [●] for the issuance of Limited Recourse Index-Linked Bearer Notes and Limited Recourse Index-Linked Registered Notes (the "**Base Prospectus**"), (b) any supplements to this Base Prospectus (the "**Supplements**"), and (c) all other documents whose information is incorporated herein by reference. The Final Terms consist of four parts: Part I – General Information; Part II – Terms and Conditions of the Securities; Part III – Index Description, and Part IV – Noteholder Meeting Provisions. [A summary of the individual issue of the Notes is annexed to these Final Terms.¹]*

The Base Prospectus, any Supplements and these Final Terms are available [[●] and in addition] [in printed version free of charge at [●] and in addition] on the website [insert website] or any successor website thereof.

[In the case of a new documentation of the Securities after expiry of the period of validity of the Base Prospectus, insert: These Final Terms serve to continue the public offering of the *Securities* which were

¹ Not applicable in the case of an issue of Securities with a minimum denomination of at least EUR 100,000.
Nicht anwendbar im Fall einer Emission von Wertpapieren mit einer Mindeststückelung in Höhe von mindestens EUR 100.000.

documented by the Final Terms dated [●] to the Base Prospectus for [insert exact title] of [insert exact name of the issuer] dated [insert date] [and, previously, by the Final Terms dated [●] to the Base Prospectus for the issuance of [insert exact title] of insert exact name of the issuer] dated [insert date]], the period of validity of which has expired].

[In the case of a planned continuation of the public offering of the Securities after expiry of the period of validity of the Base Prospectus, insert: The above-mentioned Base Prospectus dated [insert date], under which the securities described in these Final Terms [are issued][are continued to be offered], will cease to be valid on [insert date]. From and including this date, these Final Terms must be read in conjunction with the latest valid version of the Base Prospectus for the issuance of [insert exact name] which succeeds the Base Prospectus dated [insert date]. The latest valid version of the Base Prospectus for the issuance of [insert exact title] of [insert exact name of the issuer] is published on the website of [insert exact name of the issuer] ([insert exact link]). Investors can access the latest valid version of the Base Prospectus by selecting "[insert exact title]" in the centre of this website.

[Investors who have already agreed to purchase or subscribe for securities during the validity period of the afore-mentioned Base Prospectus have the right, exercisable within a time limit of two working days after the publication of the succeeding base prospectus, to withdraw their acceptances, provided that the securities have not already been delivered to them.]]

The Base Prospectus, any Supplements and these Final Terms are available [[●] and in addition] [in printed version free of charge at [●] and in addition] on the website [insert website] or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer.

[The Base Prospectus will no longer be valid on [●]. From that date onwards, the Final Terms are to be read together with the latest valid version of the Base Prospectus for the issuance of (Option I) LIMITED RECOURSE INDEX-LINKED BEARER NOTES and (Option II) LIMITED RECOURSE INDEX-LINKED REGISTER NOTES. [This particularly applies to section entitled "Description of the Parties".] The latest valid version of the Base Prospectus is available [[●] and in addition] [in printed version free of charge at [●] and in addition] on the website [insert website] or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer. No non-exempt offer of the Securities under these Final Terms will be made unless there is a valid version of the Base Prospectus.]

Part I – General Information

ISIN:	[●][Not applicable.]
Other security identification code(s):	[●][Not applicable.]
Aggregate principal amount:	[●]
Selling commission(s):	[Front-Up Commission [I] of up to [5][●]% of [the Nominal Amount][●]] [and Front-Up Commission II of up to [5][●]% of [the Nominal Amount][●]] [and] [●] [and] [a Redemption Fee [I] of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●] [and a Redemption Fee [II] of up to [5][●]% of the [Nominal Amount] [and] [Optional Redemption Amount] [and] [Partial Redemption Amount] [and] [Early Redemption Amount] [and] [●] per Note.] [None.]
Other commissions:	[●][None.]
Expenses and taxes specifically charged to the subscriber or purchaser:	[●][None.]
Use of proceeds:	<p>[Specify details with regard to reasons for the offer and use of proceeds if different from making profit and/or hedging certain risks.]</p> <p>[See the subsection "Use of Proceeds" in the Base Prospectus.]</p>
Net proceeds:	[●][Not applicable.]
Estimated total expenses:	[●][Not applicable.]
Material interests, including conflicting ones, of natural and legal persons involved in the issue/offer:	[Insert description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest.][Not applicable.]
Information about the past and future performance of the underlying and its volatility:	[●][Not applicable.]
Jurisdiction(s), in which non-exempt offer may take place:	[Not applicable.][Non-exempt offers may be made in [the Republic of Austria][,][and] [the Republic of Croatia][,][and] [the Republic of Cyprus][,][and] [the Czech Republic][,][and] [the Federal Republic of Germany][,][and] [the French Republic][,][and] [Hungary][,][and] [the Republic of Ireland][,][and] [the Italian Republic][,][and] [the Principality of Lichtenstein][,][and] [the Grand Duchy of Luxembourg][,][and] [the Republic of Malta][,][and] [the Republic of Poland][,][and] [Romania][,][and] [the Slovak Republic][,][and] [the Republic of Slovenia][,][and] [the Kingdom of

Spain][,][and] [the United Kingdom of Great Britain and Northern Ireland] [,][and] [●].]

Conditions, to which the offer is subject:

[●]

Underwriting:

[The Securities will be underwritten [with a firm commitment basis][without a firm commitment basis][under best efforts arrangements] by the following distributor[s]: [insert distributor[s].] [[insert percentage] per cent. of the issue is not underwritten.] [The subscription agreement [is][will be] dated as of [insert date].]

Minimum amount of application:

[●][Not applicable.]

Maximum amount of application:

[●][Not applicable.]

Manner and date in which results of the offer are to be made public:

[●]

Method and time limits for paying up the Securities and for delivery of the Securities:

The delivery of the Securities shall be [free of payment][against payment] [on [insert date]].

[The appropriate number of Securities shall be credited to the holder's account in accordance with the rules of the corresponding Clearing System.]

Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:

[●][Not applicable.]

Clearing System, Custody:

[Euroclear.][Clearstream.][●][Not applicable.]

Admission to trading:

[Not applicable.] [However, application][Application] [has been][will be][may be] made to [list the Securities][include the Securities to trading] on [the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange] [and the] [the Open Market (*Freiverkehr*) of the Munich Stock Exchange] [and the] [the Open Market (*Freiverkehr*) of the Stuttgart Stock Exchange] [and the] [the MTF market (*Dritter Markt*) of the Vienna Stock Exchange] [and the] [the Malta Stock Exchange (the **MSE**)] [and the] [the European Wholesale Securities Market (the **EWSM**)] [and the] [the Euro MTF market of the Luxembourg Stock Exchange] [and the MTF market of the Irish Stock Exchange] [and the] [insert other unregulated market], which [is][are] not [a] regulated market[s] [and] [on one or more organised trading facilities (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.]

[Application [has been][will be][may be] made for the admission to trading of the Securities on the regulated market[s] of the [Frankfurt Stock

Exchange] [and the] [Munich Stock Exchange] [and the] [Stuttgart Stock Exchange] [and the] [Vienna Stock Exchange] [and the] [the Malta Stock Exchange (the MSE)] [and the] [the European Wholesale Securities Market (the EWSM)] [and the] [Luxembourg Stock Exchange] [and the Irish Stock Exchange] [and the] [*insert other regulated market*], which [is][are] [a] regulated market[s] [and] [on an organised trading facility (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. For the avoidance of doubt "and" means in regard to admission to trading of Notes one or more regulated market(s).]

Offer period and period in during which subsequent resale or final placement of the Securities can be made:

[The offer period started on [●] and will finish on [●]. [The Issuer reserves the right for any reason to close the offer period at any time.]]

[Subsequent resale or final placement of the Securities may be made until [*insert date*]. [●]

Time period, including any possible amendments, during which the offer of the Securities will be open and description of the application process:

During the offer period, the Securities will [initially] be offered during a [first] subscription period [, and continuously offered thereafter during a second subscription period].

[[First] [Subscription][subscription] period: [*insert first day of [first] subscription period*] – [*insert last day of [first] subscription period*] [(*insert* [p.m.] [a.m.] [*insert*] local time)].] [The Issuer reserves the right to close the [first] subscription period [for any reason][, e.g. a maximum aggregated principal amount of [EUR][GBP][CHF][USD][●] has been reached,] earlier [and] [or] to extend the [first] subscription period for any reason [up to [*insert number of day(s)/month(s)/year(s)*]] [*insert last day of [first] subscription period*] [(*insert* [p.m.] [a.m.] [*insert*] local time [(CE[S]T))]]].

[Second subscription period: [*insert first day of second subscription period*] – [*insert last day of second subscription period*] [(*insert* [p.m.] [a.m.] [*insert*] local time)].] [The Issuer reserves the right to close the second subscription period [for any reason][, e.g. a maximum aggregated principal amount of [EUR][GBP][CHF][USD][●] has been reached,] earlier [and] [or] to extend the second subscription period for any reason [up to [*insert number of day(s)/month(s)/year(s)*]] [*insert last day of second subscription period*] [(*insert* [p.m.] [a.m.] [*insert*] local time [(CE[S]T))]]].

[The Issuer reserves the right for any reason of the continuation of the public offering of the Securities after expiry of the period of validity of the Base

Prospectus under a succeeding base prospectus. The Issuer reserves the right for any reason to continue the public offer subject to the filing of new Final Terms for the Securities under a base prospectus with a longer period of validity.] [The Issuer intends to continue the [first][second] subscription period[s] for the Securities after expiry of the period of validity of the Base Prospectus under one or more succeeding base prospectus(es).]

Expected price at which the Securities will be offered:

During the offer period, the Issuer will offer and sell the Securities at the applicable subscription price[s].

The subscription price [in respect of the Securities subscribed for during the first subscription period] will correspond to the Nominal Amount [plus the Front-Up Commission [I]] [plus][minus].

[The subscription price in respect of the Securities subscribed for during the second subscription period will correspond to the [(i)] product of (A) the Nominal Amount and (B) the Index Level on the relevant Subscription Date [and (ii) plus the Front-Up Commission [I]] [and Front-Up Commission II] [and (iii) [plus][minus] [●]].]

[Selling Restrictions:

The offer is [not] a non-exempt offer.

[Prohibition of sales to retail investors in the European Economic Area does [not] apply.]

[Insert any other selling restriction.]]

Website, on which any new information unknown at the time the Base Prospectus was approved or these Final Terms were filed with the relevant competent authority/authorities will be published:

[www.timberlandsecurities.com][●] [(or any successor or replacement address thereto).]

Part II – Terms and Conditions of the Securities

[In the case of Bearer Notes replicate the relevant provisions of Option I (including relevant further options contained therein) set out in the Base Prospectus and complete relevant placeholders.]

[In the case of Registered Notes replicate the relevant provisions of Option II (including relevant further options contained therein) set out in this Base Prospectus and complete relevant placeholders.]

Part III – Index Description

[Replicate the relevant provisions of Description of the [OptiMix A] [OptiMix B] [OptiMix C] [Precious Metals] [OptiMix World] [Top-10] [Bonds Portfolio] [insert name(s) of other Index] Index (including relevant further options contained therein) set out in the Base Prospectus and complete relevant placeholders.]

[Part IV – Noteholder Meeting Provisions

[Replicate the relevant provisions of Noteholder Meeting Provisions (including relevant further options contained therein) set out in this Base Prospectus.]

[Insert issue specific summary here. It shall be noted that the issue specific summary needs to be drafted on the basis of the summary relating to the Base Prospectus. No further information may be added, but the information will be made specific for the relevant issue of Notes only, i.e. parts of the summary relating to the Base Prospectus which are of no relevance for a specific issue must be deleted and information which is drafted in a general manner must be replaced by issue specific information.²]

²

Not required for Securities with a Specified Denomination of at least EUR 100,000.
Nicht erforderlich bei Wertpapieren mit einer festgelegten Stückelung von mindestens EUR 100.000.

DESCRIPTION OF THE PARTIES

1. THE COMPANY

1.1 General information about the Company

Date of incorporation and legal form

Timberland Securities SPC was incorporated as an exempted limited liability company established under the laws of the Cayman Islands and registered as a segregated portfolio company under Part XIV of the Companies Law on 15 January 2015.

Domicile, address and telephone

The Company has its registered office at Queensgate House, P.O. Box 1093, Grand Cayman KY1-1102, Cayman Islands.

Registration

The Company is registered with the Cayman Islands Registrar of Companies under number MC-295591.

Capitalization and ownership

The share capital of the Company is EUR 31,000 divided into 31,000 shares with a par value of EUR 1 each all of which is issued and fully paid up. Stichting Timberland V, a foundation (*stichting*) incorporated under the laws of the Netherlands, holds 31,000 shares in the Company. Due to the nature of the Company's shareholders no counter abuse measures have been put in place.

Principle activities, business overview and principal markets

The Company has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The principal activities of the Company are those which are set out in the Company's corporate objects clause, which is clause 3 of the Company Articles incorporated by reference into this Base Prospectus which states, that the objects for which the Company is established are unrestricted and that the Company shall have full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.

The principal markets in which the Company conducts its business are the Republic of Austria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the French Republic, the Federal Republic of Germany, Hungary, the Republic of Ireland, the Italian Republic, the Grand Duchy of Luxembourg, Principality of Liechtenstein, the Republic of Malta, the Republic of Poland, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the United Kingdom of Great Britain and Northern Ireland.

1.2 Administration

Board of Managing Directors

The directors of the Company are as follows:

Director

Mr Thomas Krämer

Principal outside activities

Inter alia Founder of Timberland Capital Management GmbH and Timberland Investment GmbH, Member of the Board of Directors of Timberland Invest Ltd., Timberland Fund Management Ltd., Timberland Services Ltd.,

Timberland Securities Investment plc and
Timberland Investment S.A.

Mr Dirk Köster

Inter alia Employee (portfolio manager) of
Timberland Capital Management GmbH, Member
of the Board of Directors of Timberland Invest Ltd.,
Timberland Fund Management Ltd., Timberland
Services Ltd., Timberland Securities Investment plc
and Timberland Investment S.A.

The business address of Mr Thomas Krämer and Mr Dirk Köster is at 20 B, Rue des Carrières, 1316 Luxembourg in the Grand Duchy of Luxembourg and the business address of Mr Dean and Mr Watler is at P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman KY1-1102, Cayman Islands.

Conflicts of interest

No conflicts of interests between any duties owed by the directors of the Issuer to the Company and their private interests and or other duties have been identified other than those already notified to the Company.

1.3 Financial information

The financial year of the Company begins on 1 July and ends on 30 June of the following year. The first financial year has commenced from 19 January 2015 and has ended on 30 June 2016. The Company has published its first financial statements in respect of the period ending on 30 June 2016. The Company has as well published its audited financial statements in respect of the period ending on 30 June 2017. The financial statements of the Company will be prepared in accordance with the fair value principle, as far as the board of directors of the Company does not decide to prepare the financial statements of the Company under other principles and as far no other information is contained in this Base Prospectus and/or the relevant Final Terms. The Company reserves the right to prepare the financial statements from time to time subject to (local) General Accepted Accounting Principles (GAAP) and/or IFRS and/or EU-IFRS.

The Company's annual accounts shall be approved by the board of directors and the balance sheet shall be dated and signed on behalf of the board by two directors of the Company. The directors of the Company shall also draw up and sign a directors' report. The statutory auditor of the Company is also required to prepare an auditor's report. A copy of the auditor's report and the directors' report shall also be annexed to the annual accounts. The Company intends to publish annual accounts and annexes within seven months from the end of the relevant accounting period. The Company may however elect to extend the period to publish its accounts by a further eleven months to eighteen months. No such election has been made by the Company.

A copy of any annual audited financial statements can be obtained from the Company at its registered office in the Cayman Islands.

1.4 Statement on material adverse chance

There has been no significant change in the financial or trading position of the Company and no material adverse change in the financial position or prospects of the Company since the financial year ended on 30 June 2017.

1.5 Trend information

There are no known trends affecting the Company and the industries in which it operates.

1.6 Recent events and developments

There are no recent events particular to the Company which are to a material extent relevant to the evaluation of the Company's solvency.

1.7 Legal proceedings

The Company was not engaged in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which the Company Investment is aware) in the 12 months preceding the date of this Base Prospectus which are likely to have a material adverse effect upon the Company's financial position or profitability.

1.8 Statutory Auditor

The statutory audit firm (*cabinet de revision agréé*) of the Company and of the Segregated Portfolios is Vistra Treuhand GmbH, Wirtschaftsprüfungsgesellschaft, (prior to change of name: Optegra Treuhand GmbH, Wirtschaftsprüfungsgesellschaft) having its registered office at Universitätsstraße 71, 50931 Köln, Germany and registered with the trade and companies register (*Handelsregister Amtsgericht Köln*) under number HRB 67412. The statutory auditor firm is a member of the Chamber of Public Accountants (*Wirtschaftsprüferkammer*).

1.9 Ratings

Currently, the Company does not have an external rating.

2. TIMBERLAND INVESTMENT

2.1 General information about Timberland Investment

Date of incorporation and legal form

Timberland Investment SA was incorporated in the Grand Duchy of Luxembourg on for an unlimited duration as a public limited liability company (*société anonyme*) 18 July 2013 and is established as an unregulated securitisation undertaking (*société de titrisation*) within the meaning of the Securitisation Act 2004.

Domicile, address and telephone

Timberland Investment has its registered office at 20 B, Rue des Carrières, L-1316 Luxembourg, and is subject, as an unregulated securitisation undertaking, to the provisions of the Securitisation Act 2004.

Registration and articles of incorporation

Timberland Investment is registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B178.756. The Timberland Investment Articles were published on 7 September 2013 in the *Mémorial, Recueil des Sociétés et Associations*, number 2195 on page 105316.

Capitalization and ownership

The share capital of Timberland Investment is EUR 31,000 divided into 31,000 ordinary shares with a par value of EUR 1 each all of which are fully paid up. All the issued shares in Timberland Investment are held by Stichting Timberland II, a foundation (*stichting*) incorporated under the laws

of the Kingdom of the Netherlands, with registered seat in Amsterdam. Since the date of its incorporation, the Timberland Investment has not commenced operations.

Principle activities, business overview and principal market

Timberland Investment has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The principal activities of Timberland Investment are those which are set out in Timberland Investment's corporate objects clause, which is clause 4 of the Timberland Investment Articles incorporated by reference into this Base Prospectus. The corporate objects of Timberland Investment are to enter into, perform and serve as a vehicle for, any securitisation transactions as permitted under the Securitisation Act 2004.

The principal market in which the Company is active is Luxembourg.

2.2 Administration

Board of Managing Directors

The directors of Timberland Investment are as follows:

<i>Director</i>	<i>Principal outside activities</i>
Mr Thomas Krämer (Chairman)	Founder of Timberland Capital Management GmbH, and Timberland Investment GmbH, Member of the Board of Directors of Timberland Invest Ltd., Timberland Fund Management Ltd., Timberland Services Ltd., Timberland Securities Investment plc and Timberland Investment S.A.
Mr Dirk Köster	Employee (portfolio manager) of Timberland Capital Management GmbH, Member of the Board of Directors of Timberland Invest Ltd., Timberland Fund Management Ltd., Timberland Services Ltd., Timberland Securities Investment plc and Timberland Investment S.A.

The business address of Mr Thomas Krämer and Mr Dirk Köster is at 20 B, Rue des Carrières, L-1316 Luxembourg in the Grand Duchy of Luxembourg.

Conflicts of interest

No potential conflicts of interests between any duties owed by the directors of Timberland Investment to Timberland Investment and their private interests and or other duties have been identified.

2.3 Financial information

The financial year of Timberland Investment begins on 1 July and ends on 30 June of the following year. Timberland Investment published its first audited financial statements in respect of the period ending on 30 June 2014. For information concerning Timberland Investment's audited financial statements as of 30 June 2016 and the audited financial statements as of 30 June 2017 please refer to the 2016 Timberland Investment Financial Statements and the 2017 Timberland Investment Financial Statements set out in this Base Prospectus under the section entitled "*Documents incorporated by Reference*". In accordance with Articles 461-1, 461-7 and 461-8 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended, Timberland Investment is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of the shareholders. The ordinary general meeting of shareholders takes place annually on the fourth Thursday of October of each year at 11.00 am at the registered office of

Timberland Investment or at such other place as may be specified in the convening notice. A copy of any future annual audited financial statements can be obtained at the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*).

2.4 Legal proceedings

Timberland Investment was not engaged in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which Timberland Investment is aware) in the 12 months preceding the date of this Base Prospectus which are likely to have a material adverse effect upon Timberland Investment's financial position or profitability.

2.5 Statutory Auditor

After the financial year 2017 (as from 01 July 2017 onwards), the appointment of the mandated auditor Ernst & Young, 35E avenue John F. Kennedy, Luxembourg, L-1855 Luxembourg has been changed by the Issuer. Due to the latter, the Issuer appointed as statutory audit firm (*cabinet de revision agréé*) MAZARS LUXEMBOURG, having its registered office at 10A Rue Henri M. Schnadt, L-2530 Luxembourg - Luxemburg and registered with the Luxembourg trade and companies register under number B159962. The statutory auditor firm is a member of the Luxembourg Institute of Auditors (*Institut des réviseurs d'entreprises*).

2.6 Ratings

Currently, Timberland Investment does not have an external rating.

3. (SUB-) ARRANGER, INVESTMENT ADVISOR, INDEX SPONSOR AND INDEX CALCULATION AGENT

3.1. (Sub-) Arranger

- (a) The Company has concluded an (sub-) arranger agreement (**Arranger Agreement**) with Timberland Securities Investment plc acting as (sub-) arranger of the Company (the **Arranger**).

The (sub-) Arranger is a private limited company incorporated and existing under Maltese law, having its registered office at 171, Old Bakery Street, Valletta VLT 1455, Malta and its head office at Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and is entered in the Registry of Companies at the Malta Financial Services Authority (the **MFSA**) under the number 68856. Under and pursuant to the (sub-) Arranger Agreement, the (sub-) Arranger undertakes to provide the Company with advisory services in connection with the setting-up of the transaction to be carried out by the Company. According to the (sub-) Arranger Agreement, the (sub-) Arranger is authorised to delegate some or all of its functions to qualified third parties. The (sub-) Arranger has an interest in the offer of the Notes and will receive arranger fees. Furthermore the (sub) Arranger has pre-financed costs itself and by way of assignment of pre-financed amounts from related parties to the (sub-) Arranger in connection with the setting-up of the transaction to be carried out by Timberland Securities SPC and Timberland Investment S.A. Insofar the (sub-) Arranger furthermore will receive repayment for these pre-financing in connection with the setting-up of the transaction to be carried out by Timberland Securities SPC and Timberland Investment S.A.

- (b) The Company has concluded an arranger agreement (**Arranger Agreement**) with Timberland Investment Ltd acting as arranger of the Company (the **Arranger**).

The Arranger is a private limited company incorporated and existing under Cayman Islands law, having its registered office at Queensgate House, P.O. Box 1093, Grand Cayman, KY1-1102, Cayman Islands and is registered under the number MC-295373. Under and pursuant to the Arranger Agreement, the Arranger undertakes to provide the Company with advisory

services in connection with the setting-up of the transaction to be carried out by the Company. According to the Arranger Agreement, the Arranger is authorised to delegate some or all of its functions to qualified third parties. The Arranger has an interest in the offer of the Notes and will receive arranger fees.

The Company can conclude in future one or more arranger agreement(s) with one or more Arranger(s).

3.2 Investment Advisor

Timberland Investment has concluded an investment advisory and portfolio management agreement (**Investment Advisory and Portfolio Management Agreement**) with Timberland Fund Management Ltd. acting as investment advisor of Timberland Investment (the **Investment Advisor**).

The Investment Advisor is a private limited company incorporated and existing under Maltese law, having its registered office at 171, Old Bakery Street, Valletta VLT 1455, Malta and its head office at Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and is entered in the Registry of Companies at the MFSA under the number 60288. The Investment Advisor is licenced pursuant to Article 6 of the Investment Services Act, 1994, of Malta by the MFSA as a Category 2 licence authorising the Investment Advisor to provide investment services. In addition, the Investment Advisor qualifies as an alternative investment fund manager (an **AIFM**) pursuant to Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers. Under and pursuant to the Investment Advisory and Portfolio Management Agreement, the Investment Advisor undertakes to provide Timberland Investment with advisory services and portfolio management services in connection with the transaction to be carried out by Timberland Investment under its relevant Compartments. According to the Investment Advisory Agreement, the Investment Advisor is authorised to delegate some or all of its functions to qualified third parties. The Investment Advisor has an interest in the offer of the Notes and will receive a remuneration equivalent to the Advisory Fee payable to it under the Underlying Securities.

The Company can conclude in future one or more investment advisory agreement(s) with one or more Investment Advisors(s).

3.3 Index Calculation Agent

The Company has concluded an index calculation agreement dated (**Index Calculation Agency Agreement**) with Timberland Services Ltd. acting as index calculation agent of the Company (the **Index Calculation Agent**).

The Index Calculation Agent is a private limited company incorporated and existing under Maltese law, having its registered office at Aragon House Business Centre, Dragonara Road, St. Julian's STJ 3140, Malta and is entered in the Registry of Companies at the MFSA under the number 84246. Under and pursuant to the Index Calculation Agency Agreement, the Index Calculation Agent undertakes to provide the Company with the Indices and the calculation in connection with the Indices under its relevant Notes issued or to be issued under the different Segregated Portfolios. According to the Index Calculation Agency Agreement, the Index Calculation Agent is authorised to delegate some or all of its functions to qualified third parties. The Index Calculation Agent has an interest in the offer of the Notes and may receive a remuneration.

The Company can conclude in future one or more index calculation agency agreement(s) with one or more Index Calculation Agent(s).

3.4 Index Sponsor

On the basis of separate index sponsor agreements (each an **Index Sponsor Agreement**), the Company has appointed or may appoint each of the following institutions as an index sponsor (each an **Index Sponsor**):

- (a) Timberland Fund Management Ltd. (as described in more details above, **Timberland Fund Management**) may act as an Index Sponsor of the Company under and pursuant to an Index Sponsor Agreement between the Company and Timberland Fund Management.

According to the Index Sponsor Agreement, Timberland Fund Management will be authorised to delegate some or all of its functions to qualified third parties. Timberland Fund Management has an interest in the offer of the Notes and may receive a remuneration equivalent.

- (b) Timberland Services Ltd. (as described in more details above, **Timberland Services**) is acting as an Index Sponsor of the Company under and pursuant to an Index Sponsor Agreement dated between the Company and Timberland Services Ltd.

According to the Index Sponsor Agreement, Timberland Services is authorised to delegate some or all of its functions to qualified third parties. Timberland Services has an interest in the offer of the Notes and may receive a remuneration.

The Company can conclude in future one or more index sponsor agreement(s) with one or more Index Sponsor(s).

4. AGENTS

4.1 Account Banks

On the basis of separate account bank agreements (each an **Account Bank Agreement**), the Company has appointed each of the following credit institutions as an account bank (each an **Account Bank**):

- (a) Société Générale Bank & Trust S.A. (**Société Générale**) is acting as an Account Bank of the Company under and pursuant to an Account Bank Agreement between the Company and Société Générale.

Société Générale has its registered office at 11, avenue Emile Reuter, L-2420 Luxembourg and is registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B000.606. Société Générale is a company specialised in the administration and protection of financial securities for institutional investors, financial intermediaries and major companies worldwide. Société Générale has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 500 p.a. per Segregated Portfolio of the Company. The remuneration may change from time to time.

- (b) Citibank, N.A., London Branch (**Citibank**) is acting as an Account Bank of the Company under and pursuant to an Account Bank Agreement between the Company and Citibank.

Citibank is registered as a branch in the United Kingdom of Great Britain and Northern Ireland at Citigroup Centre, Canada Square, London E14 5LB, United Kingdom under number BR001018 and is incorporated with limited liability in the United States with principal office 399 Park Avenue, New York NY10043, United States. Citibank is a company specialised in the administration and protection of financial securities for institutional investors, financial intermediaries and major companies worldwide. Citibank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 3,000 p.a. per Segregated Portfolio of the Company. The remuneration may change from time to time.

- (c) Marcard & Stein & Co AG (**Marcard & Stein**) is acting as an Account Bank of the Company under and pursuant to an Account Bank Agreement between the Company and Marcard & Stein.

Marcard & Stein has its registered office at Ballindamm 36, 20095 Hamburg, Germany and is registered with the Hamburg trade and companies register (*Handelsregister Amtsgericht Hamburg*) under number HRB 102674. Marcard & Stein is a German bank specialised in the administration of payment services for institutional investors, financial intermediaries and family offices worldwide. Marcard and Stein has obtained for the Company the Creditor Identifier (*Gläubiger-Identifikationsnummer*) in connection with the SEPA Direct Debit Scheme. Marcard & Stein has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 6,000 p.a. plus EUR 1,000 p.a. per Segregated Portfolio of the Company. The remuneration may change from time to time.

- (d) Commerzbank AG (**Commerzbank**), is acting as an Account Bank of the Company under and pursuant to an Account Bank Agreement between the Company and Commerzbank.

Commerzbank has its registered office at Kaiserplatz, 60311 Frankfurt am Main, Germany and is registered with the Frankfurt am Main trade and companies register (*Handelsregister Amtsgericht Frankfurt am Main*) under number HRB 32000. Commerzbank is a German full scope bank. Commerzbank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 1,000 p.a. per Segregated Portfolio of the Company. The remuneration may change from time to time.

- (e) Baader Bank Aktiengesellschaft (**Baader Bank**) is acting as an Account Bank of the Company under and pursuant to an Account Bank Agreement between the Company and Baader Bank.

Baader Bank has its registered office at Weihenstephaner Straße 4, 85716 Unterschleißheim, Germany and is registered with the Munich trade and companies register (*Handelsregister Amtsgericht München*) under number HRB 121537. Baader Bank is a German bank full scope investment bank. Baader Bank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 1.000 p.a. per Segregated Portfolio of the Company. The remuneration may change from time to time.

The Company can conclude in future one or more account bank agreement(s) with one or more Account Bank(s).

4.2 Calculation Agent(s)

On the basis of separate calculation agency agreements (each a **Calculation Agency Agreement**), the Company has appointed each of the following credit institutions as a calculation agent (each a **Calculation Agent**):

- (a) Timberland Capital Management GmbH (**Timberland Capital Management**) is acting as a Calculation Agent of the Company under and pursuant to a Calculation Agency Agreement between the Company and Timberland Capital Management.

Timberland Capital Management has its registered office at Hüttenallee 137, 47800 Krefeld, Germany and is registered with the Duisburg trade and companies register (*Handelsregister Amtsgericht Duisburg*) under number HRB 7204. Timberland Capital Management has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 15,000 p.a. or 0.34 per cent. of the net asset value of the Underlying per Note of any Segregated Portfolio, whichever amount is higher. The remuneration may change from time to time.

- (b) Timberland Fund Management is acting as a Calculation Agent of the Company under and pursuant to a Calculation Agency Agreement between the Company and Timberland Fund Management.

Timberland Fund Management has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 15,000 p.a. or 0.34 per cent. of the net asset value of

the Underlying per Note of any Segregated Portfolio, whichever amount is higher. The remuneration may change from time to time.

The Calculation Agent(s) is/are authorised to have its/their tasks performed for one or more series of Notes from time to time to one or more suitable third party/parties in accordance with the Calculation Agency Agreement in order to fulfil its/their scope of business and its/their agent role or may delegate the calculation agency function for one or more series of Notes from time to time to one or more sub-agents. The services of the agent(s) is/are not exclusive for the Company. The relation between the Company and the Calculation Agent(s) is that of a principal and an agent. The appointment of a Calculation Agent may be terminated at any time by giving at least 90 days' written notice to the relevant Calculation Agent and an alternative calculation agent may be appointed thereafter. If no other calculation agent is appointed, the Company will perform this function himself.

The Company can conclude in future one or more calculation agency agreement(s) with one or more Calculation Agents(s).

4.3 **Paying Agent(s)**

On the basis of separate paying agency agreements (each a **Paying Agency Agreement**), the Company has appointed each of the following credit institutions as (principal) paying agent (each a **Paying Agent**):

- (a) Société Générale is acting as principal Paying Agent of the Company under and pursuant to a Paying Agency Agreement between the Company and Société Générale.

Société Générale will carry out the tasks set out in the Paying Agency Agreement, including the provision of customary banking services to the Company with respect to the Notes issued by the Company (except for the registrar and transfer agent services with regards to the Registered Notes, which are performed by the Registrar and Transfer Agent (as defined below)). Société Générale has an interest in the offer of the Bearer Notes and will receive a remuneration of approximately EUR 4,000 p.a. The remuneration depends on the number of issued Bearer Notes and may change from time to time.

- (b) Citibank is acting as principal Paying Agent of the Company under and pursuant to a Paying Agency Agreement between the Company and Citibank.

Citibank will carry out the tasks set out in the Paying Agency Agreement, including the provision of customary banking services to the Company with respect to the Notes issued by the Company (except for the registrar and transfer agent services with regard to the Registered Notes, which are performed by the Registrar and Transfer Agent (as defined below)). Citibank has an interest in the offer of the Bearer Notes and will receive a remuneration of approximately EUR 2,500 p.a. The remuneration depends on the number of issued Bearer Notes and may change from time to time.

- (c) Baader Bank Aktiengesellschaft (**Baader Bank**) is acting as principal Paying Agent of the Company under and pursuant to a Paying Agency Agreement between the Company and Baader Bank.

Baader Bank will carry out the tasks set out in the Paying Agency Agreement, including the provision of customary banking services to the Company with respect to the Notes issued by the Company (except for the registrar and transfer agent services with regard to the Registered Notes, which are performed by the Registrar and Transfer Agent (as defined below)). Baader Bank has an interest in the offer of the Bearer Notes and will receive a remuneration of approximately EUR 4,000 p.a. The remuneration depends on the number of issued Bearer Notes and may change from time to time.

The Company can conclude in future one or more paying agency agreement(s) with one or more Paying Agent(s).

4.4 Registrar and Transfer Agent(s)

The Company has concluded a registrar and transfer agreement (**Registrar and Transfer Agreement**) with Alter Domus Fund Services (Malta) Limited acting as registrar and transfer agent of the Company (the **Registrar and Transfer Agent**).

The Registrar and Transfer Agent is a private limited liability company incorporated and existing under the laws of Malta, having its registered office at Vision Exchange Building, Territorials Street, Mriehel BKR 3000, Malta and is registered with the Companies Register of Malta under number C52740. The is regulated by the MFSA and is authorised to provide, inter alia, fund administration services in accordance with the Investment Services Act, 1994 of Malta. The Registrar and Transfer Agent acts as administrator to various other collective investment schemes licensed in Malta. The Registrar and Transfer Agent(s) is authorised to have its tasks performed for one or more series of Notes from time to time to one or more suitable third party/parties in accordance with the Registrar and Transfer Agreement in order to fulfil its scope of business and its agent role or may delegate the registrar and transfer agency function for one or more series of Notes from time to time to one or more sub-agents. There services of the (sub-) agent(s) are not or may be not exclusive for the Company. The Registrar and Transfer Agent will carry out the tasks set out in the Registrar and Transfer Agreement. The Registrar and Transfer Agent has an interest in the offer of the Registered Notes and will receive a remuneration of approximately EUR 2,000 p.a. (including 1,000 registers) and EUR 1 for any additional register. The remuneration may change from time to time.

In divergence to the above, the Company can either perform the function of the Registrar and Transfer Agent itself, sub-delegate the one or more respective functions to third parties or appoint one or more other Registrar and Transfer Agent(s) for one or more issued Note(s).

The Company can conclude in future one or more registrar and transfer agreement(s) with one or more Registrar and Transfer Agent(s).

4.5 Listing Agent(s)

On the basis of separate listing agency agreements (each a **Listing Agency Agreement**), the Company may appoint each of the following credit institutions as listing agent (each a **Listing Agent**):

- (a) Baader Bank may act as Listing Agent of the Company under and pursuant to a Listing Agency Agreement between the Company and Baader Bank.

The Company has concluded a Listing Agency Agreement with Baader Bank AG acting as Listing Agent of the Company for the application that may be made to the Munich Stock Exchange and the Frankfurt Stock Exchange for the Bearer Notes for the inclusion to trading on the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange market and/or the Open Market (*Freiverkehr*) of the Munich Stock Exchange market. Application may also be made for the inclusion to trading of the Open Market (*Freiverkehr*) of the Stuttgart Stock Exchange market and/or the MTF (*Dritter Markt*) of the Vienna Stock Exchange. The Open Market are not regulated markets within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. Application for listing and/or for the inclusion to trading may also be made to any other regulated and/or unregulated market. Under the Listing Agency Agreement, Baader Bank will ensure the listing of the Bearer Notes with the before-mentioned market(s)/exchange(s). Baader Bank has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to an amount of up to EUR 6,000 per each Bearer Note. The remuneration may change from time to time.

- (b) ICF Bank AG (**ICF Bank**) may act as Listing Agent of the Company under and pursuant to a Listing Agency Agreement between the Company and ICF Bank.

ICF has its registered office at Kaiserstraße 1, 60311 Frankfurt am Main, Germany and is registered with the Frankfurt am Main registry of companies (*Handelsregister Amtsgericht Frankfurt*) under number HRB 43755. The Company has concluded a Listing Agency Agreement with ICF Bank acting as Listing Agent of the Company for the application that may be made to the Luxembourg Stock Exchange (the **LuxSE**) for the Bearer Notes to be listed on the official list of the LuxSE. Application may also be made for the inclusion to trading on the LuxSE's Euro MTF market and/or the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange market and/or the Open Market (*Freiverkehr*) of the Munich Stock Exchange market and/or the Open Market (*Freiverkehr*) of the Stuttgart Stock Exchange market and/or the MTF (*Dritter Markt*) of the Vienna Stock Exchange and/or the MTF market of the Irish Stock Exchange (the **Open Market**). The Euro MTF market of the LuxSE and the Open Market are not regulated markets within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. Application for listing and/or for the inclusion to trading may also be made to any other regulated and/or unregulated market. Under the Listing Agency Agreement, ICF Bank will ensure the listing of the Bearer Notes with the before-mentioned market(s)/exchange(s). ICF Bank has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to an amount of up to EUR 5,000 per each Bearer Note. The remuneration may change from time to time.

- (c) Timberland Capital Management may act as Listing Agent of the Company under and pursuant to a Listing Agency Agreement between the Company and Timberland Capital Management.

The Company has concluded a Listing Agency Agreement with Timberland Capital Management acting as Listing Agent of the Company for the application that may be made to the MTF (*Dritter Markt*) of the Vienna Stock Exchange. The *Dritter Markt* is not a regulated market within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. Application for listing and/or for the inclusion to trading may also be made to any other regulated and/or unregulated market. Under the Listing Agency Agreement, Timberland Capital Management will ensure the listing of the register and/or the Bearer Notes with the before-mentioned market(s)/exchange(s). Timberland Capital Management has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to an amount of up to EUR 8,000 per each Bearer Note and a onetime remuneration of EUR 1,500. The remuneration may change from time to time.

Each Listing Agent may use third parties in order to fulfil its scope of business and its agent role.

The Company can conclude in future one or more listing agency agreement(s) with one or more Listing Agent(s) for the before-mentioned listing(s).

4.6 The Collecting Bank(s)

On the basis of separate collection agreements (each a **Collection Agreement**), the Company has appointed each of the following credit institutions as collecting bank (each a **Collecting Bank**):

- (a) Commerzbank is acting as Collecting Bank of the Company under and pursuant to a Collection Agreement between the Company and Commerzbank.

Commerzbank will receive (i) any subscription monies from the Notes from the relevant investors which pay the Subscription Price in Euro and (ii) any subscription monies in a currency other than Euro from the Notes from the relevant local branches and subsidiaries or correspondent banks of Commerzbank in the relevant jurisdictions. Commerzbank will convert the subscription monies under (ii) into a Euro (or any other specified currency as determined in the applicable Final Terms) amount taking into consideration the applicable

spot rate. Commerzbank will transfer (or hold) the funds to an account of the Company held with an Account Bank. Commerzbank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 650 p.a. and market standard payment fees. The remuneration may change from time to time.

- (b) Marcard & Stein is acting as Collecting Bank of the Company under and pursuant to a Collection Agreement between the Company and Marcard & Stein.

Marcard & Stein will receive (i) any subscription monies from the Notes from the relevant investors which pay the Subscription Price in Euro and (ii) any subscription monies in a currency other than Euro from the Notes from the relevant local branches and subsidiaries or correspondent banks of Marcard & Stein in the relevant jurisdictions. Marcard & Stein will convert the subscription monies under (ii) into a Euro (or any other specified currency as determined in the applicable Final Terms) amount taking into consideration the applicable spot rate. Marcard & Stein will transfer (or hold) the funds to an account of the Company held with an Account Bank. Marcard & Stein & Co AG has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 6,000 p.a. plus EUR 1,000 p.a. per Segregated Portfolio of the Company, which forms part of the remuneration in connection with the Account Bank Agreement in place. The remuneration may change from time to time.

The Company can conclude in future one or more collection agreement(s) with one or more Collecting Bank(s).

4.7 The Distribution Agents

On the basis of separate distribution agency agreements (each a **Distribution Agency Agreement**), the Company has appointed each of the following institutions as distribution agent (each a **Distribution Agent**):

- (a) Timberland Invest Ltd. (**Timberland Invest**) is acting as Distribution Agent of the Company under and pursuant to a Distribution Agency Agreement between the Company and Timberland Invest.

Timberland Invest has its registered office at 171, Old Bakery Street, Valletta VLT 1455, Malta and its head office in Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and is registered with the Maltese registry of companies under number C60291. Timberland Invest is under the supervision of the MFSA. Under the Distribution Agency Agreement, Timberland Invest and its sales partners and subsales partners will ensure the offering and distribution of the Notes in certain Public Offer Jurisdictions. Timberland Invest undertakes to use best efforts to offer and distribute the Notes in certain Public Offer Jurisdiction in accordance with the relevant selling restrictions and applicable law. Timberland Invest has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to the Front-up Commission(s) and/or Redemption Fee(s). The remuneration may change from time to time.

- (b) Timberland Capital Management GmbH (as described in more details above, **Timberland Capital Management**) is acting as a Distribution Agent of the Company under and pursuant to a Distribution Agency Agreement between the Company and Timberland Capital Management.

Timberland Capital Management is acting as Distribution Agent of the Company under and pursuant to a Distribution Agency Agreement between the Company and Timberland Capital Management. Under the Distribution Agency Agreement, Timberland Capital Management and its sales partners and subsales partners will ensure the offering and distribution of the Notes in certain Public Offer Jurisdictions. Timberland Capital Management undertakes to use best efforts to offer and distribute the Notes in certain Public Offer Jurisdiction in accordance with the relevant selling restrictions and applicable law. Timberland Capital

Management has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to the Front-Up Commission(s) and/or Redemption Fee(s). The remuneration may change from time to time.

The Company can conclude in future one or more distribution agency agreement(s) with one or more Distribution Agents(s).

Any new information with respect to financial intermediaries unknown at the time of the approval of this Base Prospectus, or the filing of the Final Terms, as the case may be, can be found on the website www.timberlandsecurities.com (or any successor or replacement address thereto).

TAXATION

1. GENERAL TAXATION INFORMATION

The following information provided below does not purport to be a complete description of the tax law and practice currently available. Potential purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of transactions involving the Notes.

Purchasers and/or sellers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of transfer in addition to the issue price or purchase price (if different) of the Notes.

Transactions involving Notes (including purchases, transfer or redemption), the accrual or receipt of any payments in respect of the Notes and the death of a Noteholder may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax status of the potential purchaser and may relate to stamp duty, stamp duty reserve tax, income tax, corporation tax, capital gains tax and/or inheritance tax.

2. CAYMAN ISLANDS

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Notes. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under Existing Cayman Islands Laws:

Payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or capital to any holder of the Notes, as the case may be, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of the Notes. The Notes themselves will be stampable if they are executed in or brought into the Cayman Islands.

An instrument of transfer in respect of a Note is stampable if executed in or brought into the Cayman Islands.

The Company has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, applied for and obtained an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

The Tax Concessions Law

2011 Revision

Undertaking as to Tax Concessions

In accordance with the provision of Section 6 of The Tax Concessions Law (2011 Revision), the Governor in Cabinet undertakes with Timberland Securities SPC ("Company").

1. That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
2. In addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

- (a) On or in respect of the shares, debentures or other obligations of the Company; or
- (b) by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

3. These concessions shall be for a period of twenty years from 27 January 2015.

The Cayman Islands – Automatic Exchange of Financial Account Information

The Cayman Islands has signed two intergovernmental agreements to improve international tax compliance and the exchange of information - one with the United States and one with the United Kingdom (the "US IGA" and the "UK IGA", respectively). The Cayman Islands has also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard ("CRS" and together with the US IGA and the UK IGA, "AEOI").

Cayman Islands regulations have been issued to give effect to the US IGA, the UK IGA and CRS (collectively, the "AEOI Regulations"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "TIA") has published guidance notes on the application of the US and UK IGAs and CRS. It is anticipated that the UK IGA related regulations and relevant provisions of the guidance notes will be phased out and replaced with CRS.

All Cayman Islands "Financial Institutions" (including the Issuer) are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless the Issuer is able to rely on an exemption that permits it to be treated as a "Non-Reporting Cayman Islands Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under CRS. The Issuer does not propose to rely on any Non-Reporting Cayman Islands Financial Institution exemption and therefore intends to comply with all of the requirements of the AEOI Regulations as a "Reporting Financial Institution".

The AEOI Regulations require the Issuer to, amongst other things, (i) register with the IRS to obtain a Global Intermediary Identification Number (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a "Reporting Financial Institution", (iii) adopt and implement written policies and procedures setting out how it will address its obligations under CRS, (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts", and (v) report information on such Reportable Accounts to the TIA. The TIA will transmit such information to the applicable overseas fiscal authorities.

Under the terms of the US IGA, withholding will not be imposed on payments made to the Issuer unless the IRS has specifically listed the Issuer as a non-participating financial institution, or on payments made by the Issuer to the Noteholders unless the Issuer has otherwise assumed responsibility for withholding under United States tax law.

3. LUXEMBOURG

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended ("Relibi Law"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg or to a residual entity (within the meaning of the laws of 21 June 2005 implementing Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States ("Territories"), as amended) established in an EU Member State (other than Luxembourg) or one of the Territories and securing such payments for the benefit of such individual beneficial owner will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by any Luxembourg resident paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent.

4. AUSTRIA

The following information is of a general nature only. It is based on Austrian tax law and practice and official interpretation currently in effect, all of which are subject to change. Such changes may also have retroactive effect. Future legislative, judicial or administrative changes could modify the tax treatment described below and could affect the tax consequences for investors. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, exchanging or disposing of the Notes under the laws of the jurisdictions in which they may be subject to taxation.

This description of Austrian tax issues is based on the assumption that the Notes are legally and actually publicly offered. Tax risks resulting from the Notes (in particular from a potential qualification as a foreign investment fund within the meaning of sec 188 of the Austrian Investment Funds Act) shall in any case be borne by the investors.

Austrian tax resident individual investors

If the income under the Notes is paid out by a custodian or a paying agent (credit institutions including Austrian branches of foreign credit institutions paying out the income to the holder of the Securities (*depotführende oder auszahlende Stelle*) located in Austria, 25 per cent. Austrian withholding tax is applicable. The term "income under the Notes" includes (i) income, if any, realised upon redemption or prior redemption as well as (iii) income realised upon sale of the Notes (capital gains). In the case of Securities that are performance linked (e.g., structured notes, index certificates) with reference items such as shares, bonds, certificates, indices, commodities, currency exchange rates, fund shares, future contracts, interest rates or baskets of such assets including discounted share certificates and bonus certificates, the total capital gains would be treated as income from derivative financial instruments. Capital gains and income from derivatives under the Notes realised by an investor resident in Austria for tax purposes generally are subject to Austrian income tax at a tax rate

of 25 per cent. The tax base is generally considered to be the difference between the sales proceeds or the redemption amount and the acquisition costs. Expenses which are directly connected with income subject to the special tax rate of 25 per cent. are not deductible. In case of realised capital gains and income from derivatives, the 25 per cent. withholding tax deduction will result in final income taxation only for individuals holding the Notes as private assets provided that the investor has evidenced the factual acquisition cost of the Notes to the securities depository. Capital gains and income from derivatives needs to be included in the income tax return if generated as business income or employment income. On 7 July 2015 an amendment to the tax legislation passed the Austrian National Council. It contains a rise of the flat (special) tax rate and the withholding tax rate for individuals from 25 per cent. to 27.5 per cent. from 1 January 2016. Loss compensation rules were also amended. However, to date, the new law has not been published in the National Gazette yet and thus formally is not yet in force. Prospective investors in the Notes are advised to consult their tax advisors to obtain further information about tax consequences in this regard.

In the absence of an Austrian paying agent or depository, the investor must include capital gains or income from derivatives in the income tax return and such income is taxed at a rate of 25 per cent. unless a Swiss or Liechtenstein paying agent has withheld final withholding tax under the respective Swiss or Liechtenstein withholding tax acts implementing the bilateral withholding tax agreements with Switzerland (in force since 1 January 2013) and Liechtenstein (in force since 1 January 2014) which final withholding tax discharges the investor's Austrian income tax liability.

Income from Notes which are not legally or actually publicly offered within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates of up to 50 per cent. and needs to be included in the investor's income tax return.

Withdrawals (*Entnahmen*) and other transfers of Notes from the securities account will be treated as disposals (sales), unless specified exemptions pursuant to Section 27 Subparagraph 6 No. 1 lit. a Austrian Income Tax Act will be fulfilled such as the transfer of the Notes to a securities account owned by the same taxpayer (i) with the same Austrian securities depository (bank), (ii) with another Austrian bank if the account holder has instructed the transferring bank to disclose the acquisition costs to the receiving bank or (iii) with a non-Austrian bank, if the account holder has instructed the transferring bank to transmit the pertaining information to the competent tax office or has, in the case of transfers from a foreign account, himself notified the competent Austrian tax office within a month; or like the transfer without consideration to a securities account held by another taxpayer, if the fact that the transfer has been made without consideration has been evidenced to the bank or the bank has been instructed to inform the Austrian tax office thereof or if the taxpayer has himself notified the competent Austrian tax office within a month. Special rules apply if a taxpayer transfers his/her residence outside of Austria or Austria loses for other reasons its taxation right in respect of the Notes to other countries (which gives rise to a deemed capital gain and exit taxation with the option for deferred taxation in the case of a transfer to an EU member state or certain member states of the European Economic Area).

Losses from Notes held as private assets may only be set off with other investment income subject to the special 25 per cent. tax rate (excluding, inter alia, interest income from bank deposits and other claims against banks) and must not be set off with any other income. Pursuant to Section 93 Subparagraph 6 Austria Income Tax Act, Austrian securities depositories have to apply a mandatory set-off of losses from securities accounts of the same taxpayer at the same securities depository (subject to certain exemptions). A carry-forward of such losses is not permitted.

In case of an average income tax rate below 25 per cent., the income may be included in the individual tax return and the withholding tax is credited against income tax or paid back, respectively. Expenses in direct economic connection with such income are also not deductible if the option for taxation at the regular personal income tax rate is exercised.

If Notes are held as business assets, income derived from the Notes is also subject to the special income tax rate of 25 per cent. deducted by way of withholding tax. However, capital gains and income from derivatives are not subject to final taxation. They have to be included in the tax return

and are also subject to the special income tax rate of 25 per cent. Write-downs and losses derived from the sale or redemption of Notes held as business assets must primarily be set off against positive income from realised capital gains of financial instruments of the same business and only half of the remaining loss may be set off or carried forward against any other income.

Risk of requalification

Further, special withholding tax rules will apply if a requalification of any of the Notes into units of a foreign investment fund in the meaning of Section 188 of the Austrian Investment Funds Act takes place. Pursuant to Section 188 of the Austrian Investment Funds Act, the term "foreign investment fund" comprises (i) undertakings for collective investment in transferable securities ("UCITS") the state of origin of which is not Austria, (ii) alternative investment funds ("AIF") pursuant to the Austrian Act on Alternative Investment Fund Managers (*Alternative Investmentfonds Manager-Gesetz*) the state of origin of which is not Austria; and (iii) alternatively undertakings subject to a foreign jurisdiction, irrespective of the legal form they are organized in, the assets of which are invested according to the principle of risk-spreading on the basis either of a statute, of the undertaking's articles or of customary exercise, in cases of abnormally low taxation in the state of residence. However, there are uncertainties about the conditions that have to be met by a foreign issuer to be qualified as AIF manager. Regarding the definition of an AIF, the guidelines of the Austrian Financial Market Authority (FMA) have to be observed. Prospective investors are advised to consult their tax advisors to obtain further information about the interpretation and tax consequences in this regard. In this respect it should be noted that the Austrian tax authorities have commented upon the distinction between index certificates of foreign issuers on the one hand and foreign investment funds on the other hand in the Investment Fund Regulations. Pursuant to these Investment Fund Regulations, a foreign investment fund may be assumed if for the purpose of the issuance a predominant actual purchase of the reference asset by the issuer or a trustee of the issuer, if any, is made or actively managed assets exist. Direct held debt securities, whose performance depend on an index, should not be seen as foreign investment funds. The term investment fund, however, does not encompass collective real estate investment vehicles pursuant to Section 20 of the Austrian Real Estate Funds Act (*Immobilien-Investmentfondsgesetz*).

Corporations/Private Foundations

Corporate investors subject to unlimited corporate income tax liability in Austria will be subject to Austrian corporate income tax at a rate of 25 per cent. A corporation may file an exemption declaration pursuant to Section 94 Subparagraph 5 Austrian Income Tax Act in order to avoid Austrian withholding tax. Tax losses may generally be offset against all other income. Tax loss carry forwards generally are possible.

Private foundations pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in Section 13 Subparagraph 6 of the Austrian Corporate Income Tax Act and holding Notes as a non-business asset are subject to interim taxation at a rate of 25 per cent. (which is, however, not levied in case the private foundation makes distributions to beneficiaries which are subject to Austrian withholding tax) on income from realised capital gains and income from derivatives. Under the conditions set forth in Section 94 Subparagraph 12 Austrian Income Tax Act no withholding tax is levied.

Non-Austrian tax resident investors

Income from capital including any capital gain derived from the Notes by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors who do not have their corporate seat or their place of management in Austria is basically currently not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment. An Austrian paying agent or depository may abstain from levying 25 per cent. withholding tax under Section 94 Subparagraph 5 and 13 Austrian Income Tax Act.

EU Savings Directive

Under the EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required, from July 1, 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg instead were entitled to apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following the agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from July 1, 2005, a number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Austria implemented the European Union Savings Directive with the Austrian EU Withholding Tax Act 2004, which may be applicable if a paying agent in Austria (which might be, e.g., any Austrian bank holding a securities account for a holder of Securities) pays out interest within the meaning of the European Union Savings Directive to a beneficial owner who is an individual resident in another Member State than Austria, provided that no exception from such withholding applies. The withholding tax amounts to 35 per cent. Regarding the issue of whether securities are subject to the withholding tax, the Austrian tax authorities distinguish between securities with and without a capital guarantee (a capital guarantee being the promise of a repayment of a minimum amount of the capital invested or the promise of the payment of interest), with the reference items being of relevance. Furthermore, pursuant to the guidelines published by the Austrian Federal Ministry of Finance, income from derivatives, such as futures, options or swaps, does, in general, not qualify as interest in the meaning of the Austrian EU Withholding Tax Act.

On 24 March 2014, the European Council formally adopted a Council Directive amending the EU Savings Tax Directive ("Amending Directive"). The Amending Directive broadens the scope of the requirements described above. Member States have to adopt the national legislation necessary to comply with the Amending Directive until 1 January 2016. The changes made under the Amending Directive include extending the scope of the EU Savings Tax Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest. In October 2014 Member States agreed that, from 2017, tax authorities will automatically exchange information with each other on most categories of income and capital held by private individuals and certain entities. It was agreed that Austria would be granted an additional year to apply the new rules, if technical adaptations do not allow implementation in 2017. That means that there will be full tax transparency between all EU Member States from 2018, at the latest. From that date the Austrian EU-Withholding Tax will no longer be levied.

Responsibility for Withholding of Taxes

The Issuer is not liable for the withholding of taxes at source. Withholding tax is levied by an Austrian custodian or paying agent.

Austrian inheritance and gift tax

Austria does not levy an inheritance and gift tax. However, certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation entrance tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Entrance Tax Act

(*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer *mortis causa*, in particular for bank deposits and publicly placed bonds.

The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate in general is 2.5 per cent., with a higher rate of 25 per cent. applicable in special cases.

In addition, a special notification obligation exists for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. The following exemptions may apply: In case of gifts to certain related parties, a threshold of EUR 50.000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15.000 during a period of five years. Furthermore, gratuitous transfers to foundations subject to the Austrian Foundation Tax Act as described above are also exempt from the notification obligation. Although no tax is triggered by these disclosure requirements, the breach of the notification obligation may be fined with an amount up to 10 per cent. of the fair market value of the assets transferred.

Transfer Taxes

There are no transfer taxes, registration taxes or similar taxes payable in Austria as a consequence of the acquisition, ownership, disposition or redemption of the Notes.

However, on 5 May 2014 the Ministers of Finance of 10 participating member countries of the European Union adopted a declaration for enhanced cooperation regarding the introduction of a financial transaction tax based on the proposal by the European Commission adopted on 14 February 2013. Austria is one of the participating countries. The first steps of implementation are now planned for 2016. Although no law has been passed in Austria so far, such financial transaction tax may be incurred on transactions such as the acquisition, disposition or redemption of the Securities in the future.

5. CROATIA

This section on taxation contains a brief description of the Issuer's understanding with regard to certain important principles which are of significance in connection with the Notes in the Republic of Croatia. This section does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The description is also based on the currently valid and applicable tax legislation. It should be noted that the tax legislation is subject to the frequent amendments and that certain amendments might have impact on tax consequences described below. It is advisable that the potential investors consult tax advisors as to the tax consequences of purchase, holding and sale of the Notes. For the purpose of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons.

There is no tax on the income from the Notes withheld at source under Croatian tax law.

The Issuer assumes no responsibility with respect to taxes withheld at source.

Taxation of Income

If the Croatian tax resident – legal person accomplishes interest income on Notes, such interest income is calculated in the income tax base as well as the other business operations generating profit and is taxable with the tax rate of 20 per cent.

If the Croatian tax resident – natural person accomplishes interest income on Notes, such interest income is not considered as income pursuant to the income tax regulation and is not calculated in the income tax base and consequently is not taxable under the Croatian law.

Taxation of Principal

Pursuant to the Croatian laws, payment of principals under the Note is not subject of any tax regime.

Taxation of Capital Gain

For the purpose of this part of prospectus, capital gain is defined as the profit accomplished by selling the Notes being the difference between the purchase price paid for acquiring the Note and the selling price for which the Note are sold.

In case of the Croatian tax resident – legal entity, the capital gain is calculated in the income tax base and consequently taxable. The profit tax is 20 per cent.

In case of the Croatian tax resident – natural person, the capital gain is not calculated in the income tax base and consequently is not taxable provided such business activity is not the main business activity of the tax resident – natural person.

6. CZECH REPUBLIC

The information set out below is of a general nature and relates only to certain principal Czech tax considerations of the acquisition, holding, sale, assignment and redemption of the Note, and it does not purport to be a complete analysis of all Czech tax considerations relating to the Notes which may be relevant to a decision to purchase the Notes.

Prospective holders of the Notes should seek, in the light of their individual circumstances, financial situations or particular investment objectives, their own professional advice as to the consequences of acquiring, holding (including receiving payments of interest, principal and/or other payments under the Notes), sale, assignment or redemption of the Notes in all relevant jurisdictions.

This description does not take into account or discuss the tax laws of any country other than the Czech Republic. The information is based on the tax laws of the Czech Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary.

The information set out below is not intended to be, nor should it be regarded as, legal or tax advice. Any person who is in any doubt as to their tax position or who is subject (or could be deemed to be subject) to tax in any jurisdiction should consult an appropriate professional adviser.

For the purposes of this information, it has been assumed that (i) the Issuer is not and will not be a Czech tax resident for Czech tax purposes and (ii) the Notes, any relating income or any transaction in connection with the Notes is not and will not be attributed or allocated to a branch, a permanent establishment, a fixed place or any other tax presence of the Issuer in the Czech Republic.

Taxation of interest income

All interest and other payments to be made by the Issuer under the Notes may be made free of any compulsory withholding or deduction for or on account of any taxes withheld by the Czech Republic.

Individuals

Individuals residing in the Czech Republic for at least 183 days within a calendar year or having a residence (permanent home) in the Czech Republic are subject to Czech personal income tax on their worldwide income, i.e. these individuals are Czech tax residents and have an unlimited income tax

liability. Individuals that are not Czech tax residents are subject to income tax only on income sourced in the Czech Republic.

Interest income from the Notes paid by the Issuer to a Czech tax resident individual is subject to Czech personal income tax at a flat rate of 15 per cent. A solidarity surcharge at 7 per cent. can apply on top of the flat rate if an individual holds the Notes as a business property (i.e. realises income from entrepreneurial activities in respect of the Notes) and their annual aggregate employment income and tax base from entrepreneurial activities exceeds 48 times the average wage stated based on Czech social security laws. The individuals are obliged to declare interest income realised from the Notes in their Czech personal income tax return (subject to specific exceptions).

Interest income realised by a Czech tax non-resident individual is taxable in the Czech Republic only if such Czech tax non-resident has a permanent establishment in the Czech Republic and respective income from the Notes is attributable to the Czech permanent establishment.

Companies

Companies (in particular legal entities) having their seat or place of management in the Czech Republic are subject to Czech corporate income tax on their worldwide income, i.e. these companies are Czech tax residents and have an unlimited income tax liability. Tax payers that are not legal entities and are incorporated under the laws of the Czech Republic are considered Czech tax residents. Companies that are not Czech tax residents are subject to income tax only on income sourced in the Czech Republic.

Interest income from the Notes paid by the Issuer to a Czech tax resident companies is subject to Czech corporate income tax at a flat rate of 19 per cent. (subject to specific exceptions). The companies are obliged to declare income realised from the Notes in their Czech corporate income tax return.

Interest income realised by a Czech tax non-resident company is taxable in the Czech Republic only if such Czech tax non-resident has a permanent establishment in the Czech Republic and respective income from the Notes is attributable to the Czech permanent establishment.

Taxation of disposals

Individuals

Income from a sale of Notes realised by a Czech tax resident individual is subject to Czech personal income tax at a flat rate of 15 per cent. A solidarity surcharge at 7 per cent. can apply on top of the flat rate if an individual holds the Notes as a business property (i.e. realises income from entrepreneurial activities in respect of the Notes) and their annual aggregate employment income and tax base from entrepreneurial activities exceeds 48 times the average wage stated based on Czech social security laws. A seller is obliged to declare income realised from a sale of Notes in their Czech personal income tax return (subject to specific exceptions).

Under certain circumstances, a shareholder that holds Notes as a business property and keeps accounting books in line with Czech accounting law may be obliged to recognise the mark-to-market remeasurement of the Notes into their profit and loss accounts. Such changes in the value of Notes are generally tax effective.

Taxable income can generally be decreased by the tax basis in the Notes (subject to further adjustments by the Czech tax law). If an individual holds Notes as a business property and keeps accounting books in line with Czech accounting law, a loss incurred on a sale of Notes can be tax deductible subject to specific conditions. If the Notes are not held as a business property and / or the individual does not keep Czech accounting books, any loss incurred on a sale of Notes is not tax deductible. However, a loss incurred on a sale of Notes not held as a business property can be deducted against taxable income realised by an individual from the sale of other securities (which

are not held as business property) within the same calendar year. If income from a sale of Notes qualifies for tax exemption, any loss is not tax deductible.

Income from a sale of Notes realised by an individual is exempt from Czech personal income tax if the individual's aggregate gross income realised from the sale of securities does not exceed CZK 100,000 in that calendar year.

Income from a sale of Notes realised by an individual is exempt from Czech personal income tax if the period between the acquisition and the sale of the Notes exceeds three years. The tax exemption does not apply to income from a sale of Notes that were or are held as business property (unless the relevant individual terminated their entrepreneurial activity prior to the three years immediately preceding the sale of the Notes).

Individuals that receive income exempt from Czech personal income taxation exceeding CZK 5 million in the calendar year are obliged to notify the Czech tax authorities of the amount of tax-exempt income (and relevant details) within the deadline for Czech personal income tax filing.

Income from a sale of the Notes realised by a Czech tax non-resident individual is taxable in the Czech Republic only if such Czech tax non-resident has a permanent establishment in the Czech Republic and respective income from the sale of Notes is attributable to the Czech permanent establishment.

Companies

Income from a sale of Notes realised by companies who are Czech tax resident is subject to Czech corporate income tax at 19 per cent. A seller is obliged to declare income realised from a sale of Notes in its Czech corporate income tax return.

Income can generally be decreased by the tax basis in the Notes (subject to further adjustments by the Czech tax law). A loss incurred on a sale of Notes can be tax deductible subject to specific conditions being met.

Under certain circumstances, a holder may be obliged to recognise the mark-to-market remeasurement of Notes within their profit and loss accounts. Such changes in the value of Notes are generally tax effective.

Income from a sale of the Notes realised by a Czech tax non-resident company is taxable in the Czech Republic only if such Czech tax non-resident has a permanent establishment in the Czech Republic and respective income from the sale of Notes is attributable to the Czech permanent establishment.

Securing tax

Where a Czech tax resident or a Czech permanent establishment of a Czech tax non-resident purchases Notes, income from the sale of those Notes that is paid to a Czech tax non-resident is subject to a securing tax of 1 per cent. of gross income, which the entity paying the income is obliged to withhold.

The "securing tax" is an advance withholding which is then treated as an advance payment of the tax declared at the end of the financial year in the tax return and is offset against the declared tax liability. Any difference must be paid or shall be refunded. The securing tax is not required with respect to tax residents of an EU Member State or another state that forms the EEA, or where the non-resident taxpayer obtains a waiver from the Czech tax authorities. The securing tax is not required where a tax treaty prevents the Czech Republic from taxing the income - this is settled practice rather than a process described in Czech tax law.

7. DENMARK

The following is a summary description of certain Danish tax consequences of the acquisition, holding and disposal of the Notes. The summary does not purport to be a comprehensive description

of all the Danish tax considerations that may be relevant to a decision to invest, hold or dispose of Notes, and it does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. The summary does not include any description of any taxation related to the FATCA regulation. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Notes. The summary is based on the Danish tax laws in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect.

For the purpose of the summary it is assumed that (i) the Issuer is not and will not be a Danish tax resident for Danish tax purposes, and (ii) the Notes, including any related income or any transaction in connection with the Notes are not and will not be attributed or allocated to a permanent establishment or any other tax presence of the Issuer in Denmark.

General remarks on the taxation of the Notes

Securities that are performance linked (e.g. structured notes, index certificates) with reference to underlying assets such as shares, bonds, commodities etc. and which assets will not be delivered to the Noteholder, will be treated as financial instruments liable to taxation in accordance with the Danish Capital and Exchange Gains Act (*Kursgevinstloven*), Consolidated Act No. 1283 of 25 October 2016 (as amended) ("Danish Capital and Exchange Gains Act"). Consequently, capital gain and other income on the Notes will for Danish tax purposes be taxed as income derived from financial instruments. However, if part of the income on the Notes qualifies as interest, such part of the income will be taxed as interest income.

Danish tax resident individual investors

Capital gains and other income (including interest income, if any) on the Notes held by (i) Danish tax residents individuals, and (ii) non-resident individuals with a permanent establishment in Denmark to which the Notes are connected, are generally subject to Danish income tax of up to 42 per cent.

Capital gains and other income on the Notes are generally taxable in accordance with a mark-to-market principle (*lagerprincip*), i.e. on a yearly accruals basis based on the annual value increase on the Notes (and including any income on the Notes paid in the year). In case of a value decrease on the Notes such loss is generally only deductible in gains on financial instruments (*source-limited deductibility*). Generally, losses from the Notes may be carried forward indefinitely. No carry-back applies.

Should any of the Notes be qualified as debt receivables and not as financial instruments, the taxation of capital gains and losses and other income on the Notes are generally included in the taxable income on a realised basis. Thus, taxation does not occur in accordance with the mark-to-market principle, and losses are not restricted to a source-limited deductibility.

Danish tax resident corporate investors

Capital gains and other income (including interest income, if any) on the Notes held by (i) Danish tax residents limited liability companies, and (ii) non-resident limited liability companies with a permanent establishment in Denmark to which the Notes are connected, are generally subject to Danish corporate income tax (CIT) at a flat rate of 22 per cent.

Capital gains and other income on the Notes are generally taxable in accordance with a mark-to-market principle (*lagerprincip*), i.e. on a yearly accruals basis based on the annual value increase on the Notes (including any income paid in the year). Similarly, a loss on the Notes resulting from a value decrease on the Notes is in general deductible for tax purposes.

Should any of the Notes be qualified as debt receivables and not as financial instruments, the same taxation as mentioned above will in general apply.

Pension funds liable to Danish taxation

Pension funds and other entities governed by the Danish Act on Taxation of Pension Yield (*pensionsafkastbeskatningsloven*), and individuals for whom the Notes are part of a pension saving governed by the same act, are taxable at a rate of 15.3 per cent. and taxed in accordance with a mark-to-market principle.

Transfer taxes and stamp duties

No transfer taxes (other than in respect of a capital gain, cf. above) and no stamp duties apply in Denmark upon the purchase, sale or other disposal of the Notes.

Danish withholding taxation on non-resident Noteholders

Noteholders which are not Danish tax residents and does not have a permanent establishment in Denmark to which the Notes are connected are not subject to Danish withholding taxes as the Issuer (i) is not and will not be a Danish tax resident for Danish tax purposes, and (ii) the Notes, including any related income or any transaction in connection with the Notes are not and will not be attributed or allocated to a permanent establishment or any other tax presence of the Issuer in Denmark.

8. FRANCE

The following is a description based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that the description below is of a general nature and does not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisors so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or sale of the Notes.

Withholding taxes

The following is a summary addressing only the French compulsory withholding tax treatment of income arising from the holding of the Notes. This summary is prepared on the assumption that (i) the Issuer is not and will not be a French resident for French tax purposes and (ii) any transactions in connection with the Notes are not and will not be attributed or attributable to a French branch, permanent establishment or other fixed place of business of the Issuer in France.

All payments by the Issuer in respect of the Notes will be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

However, if the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A of the French *Code général des impôts*, subject to certain limited exceptions, interest and assimilated income received in relation to securities or claims which are regarded as debt for French tax purposes by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax which is deductible from their personal income tax liability in respect of the year in which the payment has been made. In such case, social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. The Issuer would not be required to collect such 24 per cent. Withholding tax and social contributions on the basis that it will not be acting from France.

EU Savings Directive

The Directive 2003/48/EC has been implemented into French law under Article 242 *ter* of the French *Code 307one307al des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners resident in another Member State, including, the identity and address of the beneficial owner and a detailed list of different categories of interest paid to the beneficial owner.

9. GERMANY

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of Notes. It does not purport to be a comprehensive description of all German tax considerations that may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This discussion is based on the tax laws of Germany currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

As each series or tranche of Notes may be subject to a different tax treatment due to the specific terms of such series or tranche of Notes as set out in the respective terms and conditions of the Notes, the following section only provides some general information on the possible tax treatment. Neither tax consequences that may arise if an investor combines certain series of Notes so that he or she derives a certain return nor tax consequences from an allocation of economic ownership of the Underlying to Noteholders are discussed herein.

Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of Notes, including the effect of any state, local or church taxes, under the tax laws of Germany and any country of which they are resident or whose tax laws apply to them for other reasons.

The Issuer does not assume any responsibility for the withholding of taxes at source.

German Tax Residents

The section entitled "German Tax Residents" refers to persons who are tax residents of Germany (*i.e.* persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany).

Withholding tax on ongoing payments and capital gains

Ongoing payments received by a private Holder of the Notes will be subject to German withholding tax if the Notes are kept or administrated in a custodial account with a (i) German branch of a German or non-German bank or financial services institution, (ii) a German securities trading company or (iii) a German securities trading bank (each, a "Disbursing Agent", *auszahlende Stelle*). The tax rate is 25 per cent. (plus solidarity surcharge at a rate of 5.5 per cent. Thereon, the total withholding being 26.375 per cent.). For individual Holders who are subject to church tax an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected by the Disbursing Agent by way of withholding unless the investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the investor will be assessed to church tax.

The same treatment applies to capital gains (*i.e.* the difference between the proceeds from the disposal, redemption, repayment or assignment after deduction of expenses directly related to the disposal, redemption, repayment or assignment and the cost of acquisition) derived by a private Holder provided the Notes have been kept or administrated in a custodial account with the same Disbursing Agent since the time of their acquisition. If similar Notes kept or administrated in the same custodial account were acquired at different points in time, the Notes first acquired will be deemed to have been sold or redeemed first for the purposes of determining the capital gains. Where Notes are acquired and/or sold in a currency other than Euro, the sales or redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively with the result that any currency gains or losses are part of the capital gains. If interest claims are disposed of separately (*i.e.* without the Notes), the proceeds from the disposition are subject to withholding tax. The same applies to proceeds from the payment of interest claims if the Notes have been disposed of separately.

To the extent the Notes have not been kept or administrated in a custodial account with the same Disbursing Agent since the time of their acquisition, upon the disposal, redemption, repayment or

assignment withholding tax applies at a rate of 26.375 per cent. (including solidarity surcharge, plus church tax, if applicable) on 30 per cent. Of the disposal proceeds (plus interest accrued on the Notes ("Accrued Interest", *Stückzinsen*), if any), unless the current Disbursing Agent has been notified of the actual acquisition costs of the Notes by the previous Disbursing Agent or by a statement of a bank or financial services institution from another Member State of the European Union or the European Economic Area or from other countries in accordance with Article 17 para. 2 of the Council Directive 2003/48/EC on the taxation of savings income (e.g. Switzerland or Andorra).

Pursuant to a tax decree issued by the German Federal Ministry of Finance dated 9 October 2012 a bad debt-loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden capital contribution, shall not be treated like a disposal. Accordingly, losses suffered upon such bad debt-loss or waiver shall not be tax-deductible. The same rules should be applicable according to the said tax decree, if the Notes expire worthless so that losses may not be tax-deductible at all. A disposal of the Notes will only be recognised according to the view of the tax authorities, if the received proceeds exceed the respective transaction costs. Where the Notes provide for instalment payments, such instalment payments shall always qualify as taxable savings income, unless the terms and conditions of the Notes provide explicit information regarding redemption or partial redemption during the term of the Notes and the contractual parties comply with these terms and conditions. It is further stated in the tax decree that, if, in the case of Notes providing for instalment payments, there is no final payment at maturity, the expiry of such Notes shall not be deemed as a sale, with the consequence that any remaining acquisition costs could not be deducted for tax purposes. Similarly, any remaining acquisition costs of Notes providing for instalment payments shall not be tax-deductible if the Notes do not provide for a final payment or are terminated early without a redemption payment.

In computing any German tax to be withheld, the Disbursing Agent generally deducts from the basis of the withholding tax negative investment income realised by a private Noteholder via the Disbursing Agent (e.g. losses from the sale of other securities with the exception of shares). The Disbursing Agent also deducts Accrued Interest on the Notes or other securities paid separately upon the acquisition of the respective security by a private Noteholder via the Disbursing Agent. In addition, subject to certain requirements and restrictions, the Disbursing Agent credits foreign withholding taxes levied on investment income in a given year regarding securities held by a private Noteholder in the custodial account with the Disbursing Agent.

Private Noteholders are entitled to an annual allowance (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for married couples and for partners in accordance with the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly) for all investment income received in a given year. Upon the private Noteholder filing an exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, the Disbursing Agent will take the allowance into account when computing the amount of tax to be withheld. No withholding tax will be deducted if the Noteholder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

German withholding tax will not apply to gains from the disposal, redemption, repayment or assignment of Notes held by a corporation as Noteholder while ongoing payments, such as interest payments, are subject to withholding tax (irrespective of any deductions of foreign tax and capital losses incurred). The same may apply where the Notes form part of a trade or business, subject to further requirements being met.

Taxation of current income and capital gains

The personal income tax liability of a private Noteholder deriving income from capital investments under the Notes is, in principle, settled by the tax withheld. To the extent withholding tax has not been levied, such as in the case of Notes kept in custody abroad or if no Disbursing Agent is involved in the payment process, the private Noteholder must report his or her income and capital gains derived from the Notes on his or her tax return and then will also be taxed at a rate of 25 per cent. (plus solidarity surcharge and church tax thereon, where applicable). If the withholding tax on a disposal, redemption, repayment or assignment has been calculated from 30 per cent. Of the disposal

proceeds (rather than from the actual gain), a private Noteholder may and in case the actual gain is higher than 30 per cent. Of the disposal proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. Further, a private Noteholder may request that all investment income of a given year is taxed at his or her lower individual tax rate based upon an assessment to tax with any amounts over withheld being refunded. In each case, the deduction of expenses (other than transaction costs) on an itemized basis is not permitted.

Losses incurred with respect to the Notes can only be off-set against investment income of the private Noteholder realised in the same or the following years.

Where Notes form part of a trade or business, the withholding tax, if any, will not settle the personal or corporate income tax liability. Where Notes form part of a trade or business, interest (accrued) must be taken into account as income. The respective Noteholder will have to report income and related (business) expenses on the tax return and the balance will be taxed at the Noteholder's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the Noteholder. Where Notes form part of a German trade or business the current income and gains from the disposal, redemption, repayment or assignment of the Notes may also be subject to German trade tax. Generally the deductibility of capital losses from Notes which qualify for tax purposes as forward/futures transaction is limited. These losses may only be applied against profits from other forward/futures transactions derived in the same or, subject to certain restrictions, the previous year. Otherwise these losses can be carried forward indefinitely and applied against profits from forward/futures transactions in subsequent years. This generally does not apply to forward/futures transactions hedging risks from the Holder's ordinary business. Further special rules apply to credit institutions, financial services institutions and finance companies within the meaning of the German Banking Act.

German investment taxation

German tax consequences different from those discussed above would arise if the respective Notes were to be regarded as investment fund units within the meaning of the German Investment Tax Act (*Investmentsteuergesetz*). In such case, the withholding tax requirements for the Disbursing Agent as well as the taxation of the Noteholder would depend on whether the disclosure and reporting requirements of the German Investment Tax Act were fulfilled. The Noteholder may be subject to tax on unrealised income or, in case the reporting and disclosure requirements are not fulfilled, on income deemed received on a lump-sum basis. Such income may be off-set against any capital gains realised upon disposal of the Notes, subject to certain requirements.

Non-German Tax Residents

Interest and capital gains from the disposal, redemption, repayment or assignment of Notes are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Noteholder or (ii) the income otherwise constitutes German-source income. In case (i) and (ii) a tax regime similar to that explained above under "*German Tax Residents*" applies.

Non-residents of Germany are, in general, exempt from German withholding tax on interest and capital gains. However, where the income is subject to German taxation as set forth in the preceding paragraph and the Notes are kept or administrated in a custodial account with a Disbursing Agent, withholding tax may be levied under certain circumstances. Where Notes are not kept in a custodial account with a Disbursing Agent and proceeds from the disposal, assignment or redemption of a Note are paid by a Disbursing Agent to a non-resident upon delivery of the Notes, withholding tax generally will also apply. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Notes will arise under the laws of Germany, if, in the case of inheritance tax, neither the deceased nor the beneficiary, or, in the case of gift tax, neither the

donor nor the 311one, is a resident of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

Other Taxes

No stamp, issue or registration taxes or such duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax is not levied in Germany.

The European Commission and certain EU Member States (including Germany) are currently intending to introduce a financial transactions tax (FTT) (presumably on secondary market transactions involving at least one financial intermediary). It is currently uncertain when the proposed FTT will be enacted by the participating EU Member States and when the FTT will enter into force with regard to dealings with the Notes.

10. HUNGARY

The following is a general discussion of certain Hungarian tax consequences relating to the acquisition and ownership of Notes. It does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is based on laws currently in force in Hungary and applicable on the date of this Base Prospectus, but subject to change, possibly with retrospective effect. The acquisition of Notes by non-Hungarian holders, or the payment of interest under Notes may trigger additional tax payments in the country of residence of the relevant holder, which is not covered by this summary, but where the provisions of the treaties on the avoidance of double taxation should be taken into consideration. Prospective purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.

Withholding tax (foreign resident individual holders)

The payments of interest on and capital gains realised upon the redemption or sale of publicly offered and traded Notes ("Interest Income") is taxed at 16 per cent. Notes listed on a regulated market of a Member State are considered publicly offered and traded Notes.

The proceeds paid on privately placed Notes which are not listed on a regulated market of a Member State is considered as other income ("Other Income") which is part of the individual's aggregated tax base and is taxed at a rate of 16 per cent. (and may be subject to a health care contribution of 27 per cent., as well). The capital gains realised on the sale or redemption of such Notes is considered, as a general rule, capital gains income ("Capital Gains Income"). The tax rate applicable to Capital Gains Income is 16 per cent., while health care contribution of 14 per cent. (capped at 450,000 Hungarian Forint ("HUF")) may also be payable on the basis of Capital Gains Income.

Foreign resident individual holders are subject to tax in Hungary only if they realise Interest Income from Hungarian sources or income that is otherwise taxable in Hungary if the international treaty or reciprocity so requires. Interest Income should be treated as having a Hungarian source where:

- (a) the relevant Issuer is resident in Hungary for tax purposes;
- (b) the relevant Issuer has a permanent establishment in Hungary and Interest Income realised on the basis of the Notes issued by it is paid by the Hungarian permanent establishment of the relevant Issuer; or
- (c) the foreign resident individual holder has a permanent establishment in Hungary to which the Interest Income is attributable.

The tax on payments of the Interest Income is to be withheld by the "Payor" (*kifizető*) (as defined below).

Pursuant to Act XCII of 2003 on the Rules of Taxation ("ART"), a "Payor" means a Hungarian resident legal person, organisation or private entrepreneur who provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, Payor shall mean the borrower of a loan or the issuer of a note, including the investment service provider or credit institution providing the interest instead of it. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, "Payor" shall mean such stockbroker. The Hungarian permanent establishment of a foreign resident entity is also considered as a "Payor".

Interest, as defined by Schedule 7 of the ART (which implements the provisions of the Savings Directive), realised on Notes by citizens of any other Member State is not subject to Hungarian tax where a paying agent based in Hungary provides data to the Hungarian state tax authority on the basis of Schedule 7 of the ART.

A foreign resident individual holder who does not have a permanent establishment in Hungary is not subject to tax in Hungary if he realises Capital Gains Income from Hungary since such income is not considered as Hungarian source income.

Please note that the provisions of applicable double tax conventions, if any, should be considered when assessing the Hungarian tax liabilities of a foreign resident individual holder.

Withholding tax (foreign resident corporate holders)

Interest on Notes paid to foreign resident corporate holders who do not have a permanent establishment in Hungary by resident legal entities or other persons and any capital gains realised by such foreign resident holders on the sale of the Notes is not subject to tax in Hungary.

The tax liability of a foreign resident corporate holder, which has a permanent establishment in Hungary is limited, in general, to the income from business activities realised through its Hungarian permanent establishment.

Taxation of Hungarian resident individual holders

The Act CXVII of 1995 on Personal Income Tax ("Personal Income Tax Act") applies to the tax liability of Hungarian and foreign private individuals. The tax liability of Hungarian resident private individuals covers the worldwide income of such persons.

According to the provisions of the Personal Income Tax Act, in the case of individual holders, Interest Income is the income paid as interest and the capital gains realised upon the redemption or the sale of publicly offered and publicly traded debt securities. Notes listed on a regulated market of a Member State are considered publicly offered and traded Notes. The withholding tax on Interest Income is currently 16 per cent. Pursuant to Act LXVI of 1998 on Healthcare Contributions, Interest Income is also subject to a healthcare contribution of 6 per cent.

The proceeds paid on privately placed Notes are considered as Other Income which is taxable at a rate of 16 per cent. (and may be subject to a health care contribution of 27 per cent., as well). The capital gains realised on the sale or redemption of such Notes is considered, as a general rule, Capital Gains Income. The tax rate applicable to Capital Gains Income is 16 per cent., while the rate of health care contribution payable on the basis of Capital Gains Income is 14 per cent. (capped at HUF 450,000).

The rules of the Personal Income Tax Act may in certain circumstances impose a requirement upon the "Payor" (*kifizető*) (as defined below) to withhold tax on the interest payments to individual holders.

Pursuant to the ART the definition of a "Payor" covers a Hungarian resident legal person, other organisation, or private entrepreneur that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, "Payor" shall mean the borrower of a loan or the issuer of a note, including the investment service provider or credit institution providing the interest instead of it. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, "Payor" shall mean such stockbroker. In respect of income that is earned in a foreign country and taxable in Hungary, "Payor" shall mean the paying agent (*megbizott*) (legal person, organisation or private entrepreneur) having tax residency in Hungary.

Taxation of Hungarian resident corporate holders

Under Act LXXXI of 1996 on Corporate Tax and Dividend Tax ("Corporation Tax Act"), Hungarian resident taxpayers have a full, all-inclusive tax liability. In general, resident entities are those established under the laws of Hungary (i.e. having a Hungarian registered seat). Foreign persons having their place of management in Hungary are also considered as Hungarian resident taxpayers.

In general, interest and capital gains realised by Hungarian resident corporate holders on Notes will be taxable in the same way as the regular income of the relevant holders. The general corporation tax rate in Hungary is 10 per cent. Up to the first HUF 500 million of the taxpayer's annual profit and 19 per cent. For the part above this threshold.

Financial institutions, financial enterprises, insurance companies and investment enterprises may be subject to local business tax and innovation tax on the basis of the proceeds realised on Notes.

11. LIECHTENSTEIN

The following information is of general nature only and shall give an overview of the principles of taxation under the laws currently in force in Liechtenstein. The information below does not, and is not intended to, constitute comprehensive legal or tax advice. Investors should consult their own professional advisors as to the implications of their subscribing for, purchasing, holding, exchanging or disposing of the Notes under the laws of the jurisdictions in which they may be subject to taxation. In addition, prospective investors should bear in mind that future legislative, judicial or administrative developments could have an impact on the information below and could affect the tax consequences for investors.

Taxation of individuals in the Principality of Liechtenstein

Individuals with domicile or habitual abode in Liechtenstein are subject to unrestricted taxation in Liechtenstein, encompassing their entire net wealth and their entire income. However, various types of income and assets do not constitute taxable income and wealth, respectively, under the Liechtenstein Tax Act ("Tax Act"). This in particular holds true for income arising from assets which are subject to wealth tax in Liechtenstein. Thus, given that the Notes of a Noteholder who is unrestrictedly taxable in Liechtenstein constitute taxable wealth within the meaning of the Tax Act, any interest payments of such Notes do, as a consequence, not qualify as taxable income and are, therefore, not subject to income taxation in Liechtenstein. As a result, while the Notes held by a Noteholder with domicile or habitual abode in Liechtenstein constitute taxable wealth in Liechtenstein, interest payments received by such Noteholder do not constitute taxable income.

Other tax-exempt types of income under the Tax Act are, for example, dividends arising from participations in domestic and foreign legal entities and capital gains from the disposal and liquidation of participations in domestic and foreign legal entities.

Under the Tax Act, wealth is not taxed directly (by means of a certain percentage of the taxable wealth). Rather, a fixed percentage of the taxable wealth (currently four per cent.; to be determined every year by the Liechtenstein parliament) is added to the taxable income and the total tax is then calculated based on the sum of the taxable income and the fixed percentage of the taxable wealth. The taxable wealth is determined based on the market value of the assets at the beginning of the year

or at the beginning of the period of tax liability, respectively; for example, securities with a quotation are valued according to the quotation and, in general, securities without a quotation as well as non-securitized rights and claims, including privileges whose value can be determined, shall be assessed according to market value, which generally shall not be set lower than nominal value, unless the taxpayer demonstrates that the nominal value does not correspond to the market value.

Individuals whose domicile and habitual abode is not in Liechtenstein are subject to restricted taxation in Liechtenstein, encompassing only their domestic wealth and their domestic income. Domestic wealth comprises real estate and business premises located in Liechtenstein.

Taxation of legal entities and trusts in the Principality of Liechtenstein

Legal entities domiciled or having their actual place of management in Liechtenstein are subject to unrestricted taxation in Liechtenstein, encompassing their entire net earnings.

On the other hand, no Liechtenstein tax applies with respect to the capital of legal entities. Therefore, unlike the income from the wealth of individuals (see above), the income generated from the wealth of legal entities is not tax-exempt. As a consequence, interest payments of Notes held by legal entities which are unrestrictedly taxable in Liechtenstein constitute taxable income in Liechtenstein.

By contrast, dividends arising from participations in domestic and foreign legal entities and capital gains from the disposal or liquidation of participations in domestic and foreign legal entities do not constitute taxable income for legal entities, either (the term "dividends" includes ordinary dividends, profit shares, extraordinary dividends, bonus payouts and irregular distributions of profits and distributions of reserves).

Legal entities which neither have their domicile nor their actual place of management in Liechtenstein are subject to restricted taxation in Liechtenstein, encompassing only their domestic corporate income.

Legal entities are entitled to a deduction of 4 per cent. of their equity capital (unless such capital is not related to their business) for purposes of assessing their taxable net income. Further, losses suffered in past years can be carried forward for an unlimited period of time.

Legal entities taxable in Liechtenstein are subject to ordinary corporate income tax on all their net income at a standard flat rate of 12.5 *per cent.* per year. However, any Liechtenstein legal entity which does not pursue any commercial activity can apply for the status of a Private Asset Structure ("PAS") if the requirements as stipulated in Article 64 Tax Act are met. This, for example, holds true for legal entities which only hold bankable assets (such as shares, bonds or other securities, e.g. Notes), other assets (such as gold, art collections, liquid funds) or participations, provided that the legal entity and its shareholders or beneficiaries do not exert actual control by means of direct or indirect influence on the management of its underlying entities. Legal entities being granted the status of a PAS are subject to the minimum corporate tax in the amount of CHF 1,200.00 per year only and the regular 12.5 per cent. corporate income tax does not apply. PAS do not have to file annual tax returns.

Finally, trusts which have been established pursuant to Liechtenstein law or whose actual place of management is in Liechtenstein are in any event only subject to the minimum corporate income tax of CHF 1,200.00 per year in Liechtenstein. The same holds true for foreign trusts which receive earnings in Liechtenstein.

12. MALTA

The following information is of a general nature only and is based on the laws presently in force in Malta, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Maltese income tax law issues in respect of non-Maltese residents and prospective investors in the Notes should therefore consult their own

professional advisers as to the effects of state, local or foreign laws, including Malta tax law, to which they may be subject.

Any reference in the present section to income tax law concepts (including residence law concepts) refers to Maltese tax law and/or concepts only.

Non-Maltese Residents

Non-Maltese residents are exempt from Maltese tax in respect of any profits or capital gains derived from the transfer (including redemption, liquidation or cancellation) of the Notes provided that:

- (a) the Company does not own, directly or indirectly, any immovable property in Malta; and
- (b) the beneficial owner of the gain or profit is not resident in Malta and is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta

Non-Maltese residents are also exempt from Maltese tax in respect of any interest, discount or premium in respect of the Notes provided that:

- (a) the non-Maltese resident does not carry on any trade or business in Malta through a permanent establishment to which the debt claim giving rise to the interest, discount or premium, is effectively connected; and
- (b) the beneficial owner of the interest, discount or premium is not resident in Malta and is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta

The above exemptions may be subject to requisite declarations/evidence being provided to the Company in terms of law so that the Company is exempted from withholding taxes.

13. POLAND

The following is a discussion of certain Polish tax considerations relevant to an investor resident in Poland or which is otherwise subject to Polish taxation. This statement should not be deemed to be tax advice. It is based on Polish tax laws and, as its interpretation refers to the position as at the date of this Base Prospectus, it may thus be subject to change including a change with retroactive effect. Any change may negatively affect the tax treatment, as described below. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their personal circumstances. Prospective purchasers of the Notes are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of any Notes. The information provided below does not cover tax consequences concerning income tax exemptions applicable to specific taxable items or specific taxpayers (eg domestic or foreign investment funds).

The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.

Issuer's withholding obligations

The Issuer, which is a non-Polish entity, is not liable to withhold Polish withholding tax.

Polish tax resident individuals (natural persons)

A Polish tax resident individual is a natural person who has his/her centre of personal or business interests located in Poland or who stays in Poland for longer than 183 days in a year, unless any relevant tax treaty dictates otherwise.

Interest income

Under Article 30a.7 of the Personal Income Tax Act (the Act on Personal Income Tax dated 26 July 1991, as amended (consolidated text, J.L. 2012, No. 0, item 361, amended), "PIT Act"), interest income does not cumulate with general income subject to the progressive tax rate, but under Article 30a.1.2 of the PIT Act it is subject to 19 per cent. flat rate tax.

Under Article 41.4 of the PIT Act, the interest payer, other than an individual not acting within the scope of his/her business activity, should withhold the 19 per cent. Polish tax upon any interest payment. Under Article 41.4d of the PIT Act, the entities operating securities accounts for the individuals, acting as tax remitters, should withhold this interest income if such interest income (revenue) has been earned in the territory of Poland and is connected with securities registered in the said accounts, and the interest payment to the individual (the taxpayer) is made through said entities. There are no regulations on where interest income is earned. In practice, unless specific circumstances indicate otherwise, it is considered that interest income is earned at the jurisdiction of the debtor. Although this is not expressly regulated in the tax law, in practice, the obligation to withhold Polish income tax applies only to Polish interest payers and not foreign payers. Consequently, no Polish withholding tax should be withheld on interest payment made from securities issued by a foreign, i.e. not Polish, company.

Separate, specific rules apply to interest income on securities held on Polish omnibus accounts. Under Article 41.10 of the PIT Act, insofar as securities registered in omnibus accounts are concerned, the entities operating omnibus accounts through which the amounts due are paid are liable to withhold the flat-rate income tax on interest income. The tax is charged on the day of placing the amounts due at the disposal of the omnibus account holder.

Pursuant to Article 30a.2a of the PIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Polish omnibus accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent. flat-rate tax is withheld by the tax remitter (under Article 41.10 of the PIT Act the entity operating the omnibus account) from the aggregate income (revenue) released for the benefit of all such taxpayers through the omnibus account holder.

Under Article 45.3b of the PIT Act, if the tax is not withheld, the individual is obliged to settle the tax himself/herself by 30 April of the following year.

Under Article 30a.9 of the PIT Act, withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent. tax on the interest amount, could be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Other income

Income other than interest derived by a Polish tax resident individual from financial instruments held as non-business assets, qualify as capital income according to Article 17 of the PIT Act. This income does not cumulate with the general income subject to the progressive tax scale but is subject to a 19 per cent. flat rate tax. The costs of acquiring the Notes are recognised at the time the revenue is achieved. In principle, this income should be settled by the taxpayer by 30 April of the year following the year in which the income was earned. No tax or tax advances are withheld by the person making the payments.

Notes held as business assets

If an individual holds the securities as business assets, in principle, interest and capital gains income should be subject to tax in the same way as other business income. The tax, at 19 per cent. flat rate or the 18 per cent. to 32 per cent. progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

Polish tax resident corporate income taxpayers

A Polish tax resident is a corporate income taxpayer having its registered office or place of management in Poland. Such entity is subject to income tax in respect of the securities (including any capital gains and on interest/discount), following the same principles as those which apply to any other income received from business activity. As a rule, for Polish income tax purposes interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued. In respect of capital gains, the cost of acquiring the securities will be recognised at the time the revenue from the disposal of securities for remuneration is achieved. The taxpayer itself (without the involvement of the tax remitter) settles tax on interest (discount) or capital gains on securities, which is aggregated with other income derived from business operations conducted by the taxpayer.

The appropriate tax rate will be the same as the tax rate applicable to business activity, i.e. 19 per cent. for a corporate income taxpayer.

Non-Polish tax residents: natural person or corporate income taxpayers

A non-Polish tax resident individual is a natural person who does not have his/her centre of personal or business interests located in Poland and who does not stay in Poland for longer than 183 days in a year, unless any respective double tax treaty provides otherwise.

A non-Polish tax resident corporate income taxpayer is a corporate income taxpayer who does not have its registered office or place of management in Poland, unless any respective double tax treaty provides otherwise.

Non-Polish tax resident individuals and corporate income taxpayers are subject to Polish income tax only with respect to their income earned in Poland. There are no explicit regulations on where interest or capital gains or other income is earned. However, in practice it is considered that if securities are issued by a foreign entity, interest should not be considered as having been earned in Poland. In such case capital gains should neither be considered as arising in Poland unless the securities are sold on a stock exchange in Poland (the Warsaw Stock Exchange), in which case the tax authorities may consider the income as originating in Poland. If the latter is the case, however, most of the tax treaties concluded by Poland provide for a tax exemption with respect to Polish income tax on capital gains derived from Poland by a foreign tax resident. In order to benefit from a tax treaty, a foreign investor should present a relevant certificate of its tax residency.

Moreover, with respect to the interest payments, the relevant provisions of the EU Savings Directive may apply.

If a foreign recipient of income acts through a permanent establishment in Poland to which interest is related, as a matter of principle it should be treated in the same manner as a Polish tax resident.

Tax on civil law transactions

In light of Article 1.1.1.a of the Tax on Civil Law Transactions Act (the Act on the Tax on Civil Law Transactions dated 9 September 2000, as amended (consolidated text, J.L. 2010, No. 101, item 649, amended)), agreements for sale or exchange of assets or proprietary rights are subject to tax on civil law transactions. Such transactions are taxable if their subjects are:

- assets located in Poland or proprietary rights exercisable in Poland;
- assets located abroad or proprietary rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

Notes should not be considered as rights exercisable in Poland.

Neither an issuance of Notes nor a redemption of Notes is subject to tax on civil law transactions.

Tax on the sale or exchange of Notes (which, as a rule are considered to be rights) is 1 per cent. of their market value. It is payable within 14 days after the sale or exchange agreement has been entered into. However, if such agreement has been entered into in notarial form, the tax due should be withheld and paid by the notary public. Tax on sale of Notes is payable by the entity acquiring the Notes. In the case of exchange agreements, tax on civil law transactions should be payable by both parties jointly and severally.

In practice, however, the majority of transactions such as selling the Notes on a regulated market (within the meaning of the Act on Trading in Financial Instruments) or to or with intermediation of investment firms or foreign investment firms, are tax-exempt.

Remitter's liability

Under Article 30 of the Tax Code (the Tax Code dated 29 August 1997, as amended (consolidated text, J.L. 2012, item 749, amended)), a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets. The tax remitter is not liable if the specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault. In such a case, the relevant tax authority will issue a decision concerning the taxpayer's liability.

14. ROMANIA

The following information is a description of the most significant Romanian tax considerations relevant to the holders of Securities.

The description is based on the Romanian and EU laws, regulations and administrative procedures in effect at the date of this Base Prospectus and is not intended to represent a legal opinion or be a comprehensive analysis of all possible tax considerations that may be relevant for Romanian individuals and legal entities in relation to the Securities. This description is subject to any change in law and the interpretation and application thereof that may take effect after the date of this Base Prospectus and could be made with retroactive effect.

Prior to investing in Securities, potential investors should seek advice from their tax and financial advisors with respect to Romanian and/or EU tax regulations applicable in their specific case, including the applicability of double taxation treaties, pending or proposed changes in applicable tax laws as of the date of this Base Prospectus and any actual changes in applicable tax laws after such date.

General information on taxation of legal entities and individuals in Romania

Under Law No. 571/2003 approving the Fiscal Code as subsequently amended ("Fiscal Code"), certain types of income received by residents from Romania are subject to taxation in Romania at the tax rates stipulated by the Fiscal Code. For the purposes of the Fiscal Code:

- a "legal entity established pursuant to European law" means any legal entity established in accordance with and by the mechanics contemplated by European regulations;
- "Romanian legal entity" means any legal entity established in accordance with Romanian law;
- a "resident individual" means any individual that meets at least one of the following conditions: (a) is domiciled in Romania, (b) has the centre of his vital interests (Romanian language: "centrul intereselor vitale") in Romania, (c) is present in Romania for a period or several periods exceeding in aggregate 183 days during any 12 consecutive months, and that period ends in the calendar year concerned, (d) is a Romanian citizen that works abroad as an officer or an employee of the State.

- By way of exception from the provisions (a) to (d) above, neither a foreign citizen enjoying diplomatic or consular regime within Romania, nor a foreign citizen who is an employee or officer of an international or intergovernmental organisation registered in Romania, nor a foreign citizen who is an officer or an employee of a foreign state in Romania, nor their family members will be deemed to be resident individuals in Romania; and
- a "resident" means any Romanian legal entity, any foreign legal entity which has its place of effective management in Romania, any legal entity having its registered office in Romania, incorporated according to European legislation and any resident individual.

Taxation of Romanian legal entities and legal entity established pursuant to European law holders of Securities

Taxation of capital gains

Income received by resident legal entities as capital gains from the transfer of Notes, will be subject to corporate income tax (profit tax) at the rate of 16 per cent.

Capital gains obtained by resident individuals from the transfer of Notes will be subject to tax at the rate of 16 per cent. The income recipient is responsible for declaring and paying the tax in Romania on foreign sourced income, on an annual basis, i.e. there is no withholding at source of such tax and the Issuer does not assume any responsibility in relation thereto. If the income is taxed in the source state, foreign tax credit may be obtained in Romania, under the conditions presented below. However, should the provisions of the Double Tax Conventions ("DTC") apply, the taxation right of income is usually allocated to the source state (i.e. Romania), according to the article *Capital Gains* from DTC. Considering the above, it is recommendable that the tax implications in the source state are confirmed with a tax advisor on a case-by-case basis.

Foreign tax credit

A tax credit may be obtained in Romania by a Romanian legal entity for taxes paid abroad by Romanian legal entities and resident individuals. The deduction of foreign paid tax allowed in a fiscal year may not exceed the amount of tax attributable to the foreign income computed by applying the corporate income tax rate to the foreign taxable income. The foreign tax credit may only be used in relation to the year in which the foreign tax is paid. The foreign paid tax may be deducted from the corporate income tax due in Romania if the provisions of the tax treaty concluded between Romania and the foreign country are applicable and only upon the submission of a proof of foreign paid taxes.

According to Fiscal Code, resident individuals who, for the same income and during the same period, are taxed in Romania as well as abroad are entitled to deduct from the income tax due in Romania, the tax paid abroad (ordinary tax credit), if the foreign tax:

- was paid in a country with which Romania has concluded a tax treaty;
- is of the same nature as the Romanian tax; and
- was withheld or paid automatically to the foreign tax authorities (supporting documentation is required in this respect).

Such tax credit, however, cannot exceed the tax due in Romania. There is no unilateral relief in a non-treaty situation. Provided that a certificate of fiscal residence is made available, the provisions of a relevant tax treaty for the avoidance of double taxation may be applied in respect of the tax credit.

15. SLOVAKIA

The information set out below is a description of certain material Slovak tax consequences of the acquisition, holding, sale, assignment and redemption of the Notes and it does not purport to be a

complete analysis of all Slovak tax considerations relating to the Notes that may be relevant to a decision to purchase the Notes. This description does not take into account or discuss the tax laws of any country other than the Slovak Republic nor does it take into account the individual circumstances, financial situation or investment objectives of an investor in the Notes.

This description is based on the tax laws of the Slovak Republic as in effect on the date of this Base Prospectus and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary. With regard to certain types of notes neither official statements of the tax authorities nor court decisions exist and it is not clear how these notes will be treated.

Holders of the Notes should consult their own tax advisors as to the consequences under the tax laws of the country in which they are resident for tax purposes and the tax laws of the Slovak Republic concerning the acquisition, holding, sale, assignment and redemption of the Notes and receiving payments of interest, principal and/or other payments under the Notes, including, in particular, the application to their own situation of the tax considerations discussed below as well as the application of state, local, foreign or other tax laws.

General information on taxation of legal entities and individuals in Slovakia

Individuals and legal entities who are tax residents in the Slovak Republic are subject to income taxation (personal income tax or corporate income tax) on their worldwide income, regardless of its source, including interests from the Notes, redemption of Notes and capital gains from the sale of the Notes. "Income" shall mean income both in cash and in kind (even if obtained through an exchange), which has been attributed to the value, which is usual in the place and the time of performance or consumption, taking into account its type and quality, and, where appropriate, its condition and grade of depreciation, unless otherwise provided by applicable legislation.

Interest from the Notes realized by a Slovak tax non-residents (both legal entities and individuals) not engaged in business through a permanent establishment in Slovakia is not deemed to be Slovak source income and consequently, not subject to Slovak WHT.

Interest from the Notes representing Slovak sourced income realized by a Slovak tax resident that is an individual, a taxpayer not incorporated or established for business purposes or the National Bank of Slovakia is subject to withholding tax at the rate of 19 per cent.

Interests from the Notes and income received upon redemption of the Notes representing income sourced outside the Slovak Republic received by the individuals who are tax residents in the Slovak Republic is included in a specific tax base taxable at a 19 per cent. rate, without application of tax progression.

Capital gain from the sale of the Notes derived by individuals who are tax residents in the Slovak Republic is taxable at a tax rate of 19 per cent. for that part of the annual tax base up to the amount of 176.8 times subsistence income (i.e. in 2017 up to EUR 35,022.31) and 25 per cent. for that part of the annual tax base which exceeds this amount. The acquisition price of the Notes and related expenses including mandatory health insurance contributions payable from this income are tax deductible. In general, any loss from sale of the Notes is not recognized for tax purposes. Income from the sale of the Notes derived by individuals decreased by expenses may be exempt from income tax up to the amount of EUR 500 in one tax period. In addition, income from sale of securities traded on regulated markets shall be tax exempt if the period between acquisition and sale of the shares is longer than one year and at the same time the shares are not included in the tax payer's business assets. The exemption shall apply only to individuals and entered into effect as of 1 January 2016.

Interest from the Notes and capital gain from the sale / redemption of the Notes realized by a Slovak tax resident that is a legal entity is not subject to income withholding tax, however it forms part of the tax base of such taxpayer. The tax rate of 21 per cent. shall be applied to a legal entity for the taxation of its tax base. Loss from the sale of the Notes may not be recognized for tax purposes

provided the taxpayer reported an overall loss from the sale of all notes sold in the respective tax period (exceptions apply).

Capital gain from the sale of the Notes derived by individuals with mandatory health insurance in the Slovak Republic should be subject to health insurance contributions (this should not apply to interests and other income from securities).

Due to the repeated recent amendments to the income tax and health insurance contributions regimes, each individual and legal entity must evaluate obligations in this area which may arise under relevant legislation, including transitional provisions.

16. SLOVENIA

The following is a general description of certain Slovenian tax considerations relating to the Notes, based on the Issuer's understanding of the current law and its practice in Slovenia. It does not purport to be a complete analysis of all relevant tax considerations. Furthermore, it only relates to the position of investors who are beneficial owners of the Notes and the interest and may not apply to certain classes of investors. Prospective purchasers of the Notes should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the Republic of Slovenia of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Income tax treatment of resident investors

Individuals (private portfolio)

A resident individual (within the meaning of Sec 6 of the Slovenian Personal Income Tax Act (*Zakon o dohodnini*), hereinafter referred to as the Slovenian PITA) holding the Notes as private assets is subject to Slovenian income tax at the rate of 25 per cent. on interest within the meaning of Sec 81 of the Slovenian PITA. Under Sec 81(2) of the Slovenian PITA, the notion of interest includes any compensation from a financial debt arrangement not being considered a return of principal, including compensation for risk or reduction of the principal due to inflation, unless otherwise provided by law, as well as discounts, bonuses, premiums and similar income from a financial debt arrangement. According to the Slovenian tax authorities, payments from financial derivatives (e.g. warrants) fall within the scope of Sec 81(2) of the Slovenian PITA.

In general, the income tax is collected by way of a withholding tax deduction, provided that the income is paid or collected by a domestic paying agent as defined in Sec 58 of the Slovenian Tax Procedure Act (*Zakon o davčnem postopku*). The tax so withheld is final. In case there is no domestic paying agent, the income tax is levied by way of the annual tax assessment, which the recipient has to submit himself.

In general the taxable base equals to the amount of interest received. The taxable base on interest resulting from a sale or redemption of discounted and zero coupon notes prior to or on maturity of the note shall be the interest calculated for the period from the date of acquisition to the date of sale or redemption of the note.

Any tax on interest withheld under the EU Savings Directive (EU withholding tax) may be, in general, credited against the Slovenian income tax on such income. Any excess amount of EU withholding tax may be, in general, refunded by the Slovenian tax authority.

Under Secs 32(1) and 96(2)(4) of the Slovenian PITA, which provide for a tax exemption for gains from sale of debt securities and derivatives, capital gains from the disposal of the Notes are not subject to income tax. However, capital gains from alienation of the Notes are subject to tax in accordance with the Act on tax on profit from disposal of derivatives (*Zakon o davku od dobička od odsvojitve izvedenih finančnih instrumentov*), which taxes capital gains derived from the alienation

of derivatives (as defined in Sec 7 of the Financial Instruments Market Act (*Zakon o trgu finančnih instrumentov*)) and debt securities, except for discounted and zero coupon notes. In general, a capital gain is determined as the difference between the proceeds from the disposal or redemption (reduced by 1 per cent. lump-sum costs) of the Notes and their acquisition costs (increased by 1 per cent. lump-sum costs). The tax rate depends on the holding period of the Notes and amounts to

- 40 per cent. in the first 12 months of the holding;
- 20 per cent. in the following 4 years of holding;
- 15 per cent. from the 6th year of the holding;
- 10 per cent. from the 11th year of the holding; and
- 5 per cent. from the 16th year of holding.

After 20 years of the holding, capital gains are not taxable. Capital losses from the disposal or redemption of the Notes held as private assets are, generally, recognized for tax purposes and reduce capital gains, which are taxable under the Act on tax on profit from disposal of derivatives and have been realized in the same tax period.

Individuals (business portfolio)

An individual holding the Notes as business assets is, generally, subject to progressive income tax rates up to 50 per cent. on his yearly profit (difference between income and expenses). When calculating the profit, the interest from the Notes are considered as taxable income, unless the interest income is excluded from the business income under Sec 54 of the Slovenian PITA (which covers Notes issued in series and regulated within the Slovene Financial Instruments Market Act (*Zakon o trgu finančnih instrumentov*)). In the latter case, the investor is taxable in the same manner as individuals holding the Notes as private portfolio (25 per cent. flat rate taxation).

Capital gains from the disposal or redemption of the Notes held as business assets, and not excluded under Article 54 of Slovene PITA, are generally included into the yearly taxable base. Such taxable base is then subject to a progressive income tax rates of up to 50 per cent..

The exemption to this general rule applies, if the individual utilizes the "lump-sum" cost scheme, under which his yearly profit (amount of yearly turnover, diminished by 80 per cent. lump-sum costs) is taxed with a 20 per cent. flat rate. However, such a scheme may only be utilized by individuals, whose yearly turnover does not exceed EUR 50.000 (or EUR 100.000 if they employ at least one person full time for at least 5 months in a calendar year), provided that they have properly notified the Tax Authority in advance thereof.

Corporations

Interest and capital gains from the Notes held by a Slovenian resident corporation within the meaning of Sec 5 of the Slovenian Corporate Income Tax Act (*Zakon o davku od dohodkov pravnih oseb*) (hereinafter referred to as Slovenian CITA) are, in general, subject to Slovenian corporate income tax (*davek od dohodkov pravnih oseb*) at the flat rate of 17 per cent. The income must be included in the annual tax return.

The companies, whose yearly turnover does not exceed EUR 50.000 (or EUR 100.000 if they employ at least one person full time for at least 5 months in a calendar year) may also utilize the "lump-sum" cost scheme, under which their yearly profit (amount of yearly turnover, diminished by 80 per cent. lump-sum costs) is taxed with a 17 per cent. flat rate. The Tax Authority has to be properly notified in advance about utilizing such scheme.

Income tax treatment of non-resident investors

Non-resident holders of the Notes are, in general, not subject to Slovenian income tax, provided that the Notes are not held as business assets of a Slovenian permanent establishment of the investor and the income derived from the Notes does not otherwise constitute Slovenian sourced income.

EU Savings Directive

Under the provisions implementing the EU Directive on the taxation of savings income (2003/48/EC) as applicable from 1 July 2005, Slovenia provides the tax authorities of other EU Member states with details of payments of interests and other similar income paid by a person in Slovenia to an individual resident in another Member State.

Inheritance and gift tax

Individuals and private law entities within the meaning of Sec 3 of the Slovenian Inheritance and Gift Tax Act (Zakon o davku na dediščine in darila) are subject to Slovenian inheritance and gift tax in case of a transfer of the Notes by way of inheritance or gift. In general, the tax base is the market value of the transferred property at the time, when the tax liability arises, decreased by debts, costs and charges born by the property. The tax rate depends on the value of the assets transferred and the relationship between the deceased and the heir or between the donator and the recipient. An exemption may apply to certain transfers, such as e.g. transfers between direct descendants and spouses and transfers of movable property of which the total value does not exceed EUR 5,000.

Other taxes

No stamp duties, capital transfer tax or similar other taxes apply in Slovenia upon the purchase, sale or other disposal of the Notes.

17. UNITED KINGDOM

The following applies only to persons who are the beneficial owners of Notes and is a description of the Issuer's understanding of current United Kingdom law and published HM Revenue and Customs (HMRC) practice relating to certain aspects of United Kingdom taxation. Some aspects do not apply to certain classes of person (such as dealers) to whom special rules may apply. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Payments on the Notes that do not have a United Kingdom source may be made without withholding on account of United Kingdom income tax.

HMRC has powers to obtain information and documents relating to the Notes, including in relation to issues of and other transactions in the Notes, interest, payments treated as interest and other payments derived from the Notes. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of the Notes, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited. Information obtained by HMRC may be provided to tax authorities in other jurisdictions.

18. SWITZERLAND

The following is of general nature. It is based on the laws presently in force in Switzerland, though it is not intended to be, nor should it be construed to be, legal or tax advice. This section does not

constitute a complete description of all the tax issues that may be relevant in making the decision to invest in the Notes or of all the tax consequences that may derive from the subscription, acquisition, holding, transfer, redemption or reimbursement of the Notes and does not purport to describe the tax consequences applicable to categories of investors subject to special tax rules. Prospective investors in the Notes should seek professional tax advice as to the effects of federal, cantonal or communal law applicable in Switzerland.

Swiss tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future.

Individuals with Tax Residence in Switzerland

Personal Income Tax

Personal income tax is levied on an annual basis on the worldwide income obtained by Swiss resident individuals. Therefore, as a general rule, income realized from the Notes by Swiss resident individuals or non-Swiss resident individuals holding the Notes as part of a Swiss business operation or a Swiss permanent establishment will be subject to Swiss income taxation.

Under certain conditions, capital gains derived from a sale of the Notes and realized by a Swiss resident may not be subject to personal income tax if the sale is not deemed part of the Swiss resident individual's professional activity.

Wealth Tax

Wealth tax is levied on the net worth of an individual's assets and rights. Individuals with tax residency in Switzerland who are under the obligation to pay Wealth Tax must take into account the value of the Notes which they hold as at 31 December each year, when calculating their Wealth Tax liabilities.

Corporates with Tax Residence in Switzerland

Corporate Income Tax

Both income periodically received and income arising on the disposal, redemption or reimbursement of the Notes obtained by corporates which are resident for tax purposes in Switzerland or non-Swiss resident corporates holding the Notes as part of a Swiss permanent establishment shall be computed as taxable income of the tax period in which it is credited.

Capital tax

An annual capital tax is levied at cantonal/communal level. The basis for the calculation of capital tax is in principle the company's net equity.

Security transfer tax

Notes qualify for purposes of the security transfer tax as taxable security.

Non-gratuitous transfers of Notes may trigger security transfer tax if a Swiss securities dealer is involved in the transaction.

Swiss withholding tax

The Issuer is not subject to Swiss withholding taxes as it does not have its statutory domicile nor its effective place of management nor its business activities within Switzerland.

SUBSCRIPTION AND SALE

1. UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States of America ("United States" or the "U.S.") or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

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

The Notes may not be offered, sold or delivered (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons and any offer or sale of the Notes during the distribution compliance period will be subject to the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

2. CAYMAN ISLANDS

No invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Notes unless the Issuer is listed on the Cayman Islands Stock Exchange.

3. PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE

In relation to each Member State of the European Economic Area other than a Public Offer Jurisdiction which has implemented the Prospectus Directive (each, a "Relevant Member State"), and with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State ("Relevant Implementation Date") an offer of Notes which are the subject of the offering contemplated by this Base Prospectus cannot be made to the public in that Relevant Member State except that, with effect from and including the Relevant Implementation Date, an offer of such Notes to the public may be made in that Relevant Member State at any time:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Issuer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision:

- the expression an offer of Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor

- to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State;
- the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in the Relevant Member State; and
- the expression 2010 PD Amending Directive means Directive 2010/73/EU.

4. AUSTRIA

The Notes have not been and will not be offered, sold or publicly promoted or advertised in the Republic of Austria other than in compliance with the Austrian Capital Markets Act (*Kapitalmarktgesetz*), as amended, or any other laws applicable in the Republic of Austria governing the issue, offering and sale of securities.

According to the Austrian Capital Markets Act a prospectus is valid for a period of 12 months after publication for public offerings or admission to trading on a regulated market provided that the prospectus is completed by any supplements required pursuant to Sec 6 of the Austrian Capital Markets Act.

For selling restrictions in respect of Austria, please see "PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE" above, provided that any offer of Notes in Austria, made pursuant to Article 3(2) of the Prospectus Directive (as implemented in the Austrian Capital Markets Act) or otherwise, may require the Issuer to file with ÖKB (Österreichische Kontrollbank AG) as soon as possible certain information relating to the applicable offer and the applicable Securities.

5. CROATIA

Public offering of securities in the Republic of Croatia and their admission to trading on the regulated market in the Republic of Croatia is possible under the following terms:

- (a) a valid prospectus must be published;
- (b) the prospectus must be approved by the Croatian Agency for Supervision of Financial Services (hereinafter "Agency") or by the competent authority of the home Member State if the Republic of Croatia is a host Member State in which event the prospectus and the supplements thereto approved by the competent authority of the home Member State have the same effect as prospectus and any supplements thereto approved by the Agency in accordance with the Croatian Capital Market Act provided that the Agency and the European Securities and Markets Authority are notified about such approval and provided with the: i) prospectus approval certificate confirming that the prospectus has been prepared in accordance with the provisions of Directive 2003/71/EC; ii) copy of the approved prospectus; and iii) translation of the prospectus summary.
- (c) Public offering of securities without prior publication of the prospectus is permitted in the following cases:
 - (i) an offer of securities addressed solely to qualified investors;
 - (ii) an offer of securities addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors;
 - (iii) an offer of securities addressed to investors who shall pay for subscribed securities a minimum amount of EUR 100,000.00 per investor and for each particular offer;
 - (iv) an offer of securities whose denomination per unit amounts to at least EUR 100,000.00;

- (v) an offer of securities with a total consideration in the European Union of less than 100,000.00 which shall be calculated over a period of 12 months;
 - (vi) an offer of shares issued in substitution for shares of the same class already issued, if the issuing of such new shares does not involve any increase in the issued capital;
 - (vii) an offer of securities offered in connection with a takeover by means of an exchange offer, provided that a document is available containing information which is regarded by the competent authority as being equivalent to that of the prospectus;
 - (viii) an offer of securities allotted in connection with a merger or division, provided that a document is available containing information which is regarded by the competent authority as being equivalent to that of the prospectus, taking into account the requirements of the Community legislation;
 - (ix) an offer of shares:
 - (α) issued to the existing shareholders on the basis of increase of the share capital from the company's funds;
 - (β) otherwise offered or allotted to the existing shareholders free of charge or paid out as dividends to the existing shareholders if such shares are of the same class of shares in respect of which such dividends are paid, provided that a document is available containing the information about the number and nature of such shares and reasons for and details of such offer;
 - (x) an offer of securities offered, allotted or to be allotted to the existing or former directors or employees by their employer or by an affiliated undertaking provided that the companies have their head office or registered office in the European Union and that a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer;
 - (xi) an offer of securities addressed exclusively to investors who participate in the pre-bankruptcy proceedings in accordance with the financing and operational plan of the issuer, provided the plan or pre-bankruptcy proposal number, nature and other essential elements of such securities.
- (d) Sub-clause c) (x) shall also apply to a company established in third country (outside European Union) whose securities are admitted to trading either on a regulated market or on a third-country market provided that a document referred to in sub-clause c) (x) is available at least in a language customary in the sphere of international finance and provided that the European Commission at the request of the Agency or a competent authority of other Member State, has adopted an equivalence decision regarding the third-country market concerned.
- (e) any further offer of securities stated as exemption from the obligation to publish the prospectus in sub-clause c) (i) – (v) and (ix) shall be deemed a separate offer and in respect of which the offeror is obliged to publish a prospectus pursuant to the Capital Market Act;
- (f) in case of public offering of securities through financial intermediaries, there is no obligation to publish a prospectus if final offer fulfils conditions of any of sub-clause c) (i) – (v);
- (g) in the case of obligation to publish the prospectus referred to in sub-clauses d) and e) it is not necessary to publish a new prospectus as long as a valid prospectus for securities is available pursuant to clause b) above and the issuer or a person responsible for the preparation of such prospectus consents to its use for that purpose;

- (h) in the case of a public offer of securities exempted from the obligation to publish a prospectus in accordance with the above sub-clauses, the investment company and credit institutions must inform the issuer or request about the conducted categorisation of the investor with due regard to the regulations concerning personal data protection;
- (i) the issuer, the offeror or the person applying for admission to trading of securities on the regulated market in the Republic of Croatia must notify the Agency on the exercise of exemption to publish the prospectus at least three working days before the commencement of the public offer that will be performed in the Republic of Croatia or the application for the admission to trading of securities on the regulated market.

Under the Croatian Capital Market Act, securities offer to the public or public offer means any communication in any form, by use of any means, containing sufficient information about the terms and conditions of the offer and the securities offered, which information is sufficient so as to enable an investor to pass decision on purchase or subscription of those securities. The definition also includes the placement of securities through financial intermediaries.

The qualified investors are clients having sufficient experience, knowledge and professional experience to make an independent investment decision and to estimate the risks connected therewith, in particular:

- (a) entities which are required to be authorised or regulated to operate in the financial markets:
 - (i) investment firms
 - (ii) credit institutions
 - (iii) other authorised or regulated financial institutions
 - (iv) insurance companies
 - (v) collective investment schemes and management companies of such schemes
 - (vi) management companies of pension funds and pension funds
 - (vii) pension insurance companies
 - (viii) commodity and commodity derivatives dealers
 - (ix) local companies
 - (x) other institutional investors whose principal business activities are not listed under alineas (i) to (viii) and are subject to approval or supervision of the operations on the financial markets;
- (b) legal entities meeting two of the following size requirement in relation to the preceding financing year:
 - (i) total assets amount to not less than HRK 150,000,000.00
 - (ii) net income in the minimum amount of HRK 300,000,000.00
 - (iii) capital in the amount of not less than HRK 14,000,000.00.
- (c) national and regional governments, public bodies managing public debt, central banks, international and supranational institutions such as the World Bank, International Monetary Fund, European Central Bank, European Investment Bank and other seminal international organisations

- (d) other institutional investors whose main activity is to invest in financial instruments, which are not subject to authorisation and supervision of operations on financial market by the competent authorities, including entities formed for the purpose of securities of assets.

Under the Croatian Capital Market Act, the prospectus is valid for 12 months after its approval for offers to the public or admissions to trading on a regulated market provided the prospectus is supplemented with new information on issuer and securities to be offered to the public or listed on the regulated market.

6. CZECH REPUBLIC

No offers or sales of any Notes may be made in the Czech Republic through a public offering, except if in compliance with Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended ("Capital Market Act"). Public offering under the Capital Market Act shall mean any communication to a broader circle of persons containing information on the Notes being offered and the terms under which they may acquire the Notes and which are sufficient for the investor to make a decision to subscribe for, or purchase, such Notes.

The obligation to publish Base Prospectus does not apply to the following types of offering of the Notes:

- (a) an offer of the Notes addressed solely to qualified investors (as defined in Article 34 (4) of the Capital Market Act);
- (b) to a limited number of persons which, in an EU member state where the offering is made, is less than 150, excluding qualified investors (as defined in Article 34 (4) of the Capital Market Act);
- (c) if the investment for a single investor is at least EUR 100,000, or
- (d) should nominal value or price per one Note be equal to at least EUR 100,000.

No action has been taken or will be taken which would result in the Notes being deemed to have been issued in the Czech Republic or pursuant to Czech law under relevant provisions of Act of the Czech Republic No. 190/2004 Coll., on Bonds, as amended ("Bonds Act"), and the issue of the Notes qualifying as "accepting of deposits from the public" by the relevant Issuer in the Czech Republic under Section 2(2) of Act of the Czech Republic No. 21/1992 Coll., on Banks, as amended ("Banks Act"), or requiring a permit, registration, filing or notification to the Czech National Bank or other authorities in the Czech Republic in respect of the Notes in accordance with the Capital Market Act, the Banks Act or practice of the Czech National Bank.

All of the laws of the Czech Republic applicable to the conduct of business in the Czech Republic, including the laws applicable to the provision of investment services (within the meaning of the Capital Market Act) in the Czech Republic, in respect of the Notes have been complied with.

No action has been taken or will be taken which would result in the issue of the Notes being considered an intention to manage assets by acquiring funds from the public in the Czech Republic for the purposes of collective investment pursuant to defined investment policy in favour of the investors under Act of the Czech Republic No. 240/2013 Coll., on Management Companies and Investment Funds, ("MCIFA"), which implements the Directive 2011/61/EU. Any issue, offer or sale of the Notes has been or will be carried out in strict compliance with the MCIFA.

7. DENMARK

Each Dealer will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Capital Markets Act, Consolidation Act No. 12 of 8 January 2018 as amended and Executive Orders issued thereunder and in compliance with Executive

Order No. 747 of 7 June 2017 issued pursuant to the Danish Financial Business Act to the extent applicable.

8. FRANCE

Each of the Offeror and the Issuer has represented and agreed that it has only made and will only make an offer of Notes to the public (*offre au public*) in France following the notification of the approval of this Base Prospectus to the *Autorité des marchés financiers* (AMF) by the FMA, all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF.

9. GERMANY

The Notes have not been and will not be offered, sold or publicly promoted or advertised in the Federal Republic of Germany other than in compliance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*), as amended, or any other laws applicable in the Federal Republic of Germany governing the issue, offering and sale of securities.

10. HUNGARY

In addition to the rules applicable to the European Economic Area as described above under "*PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE*", in connection with any private placement in Hungary the Distribution Agent has represented and agreed that (i) all written documentation prepared in connection with a private placement in Hungary will clearly indicate that it is a private placement, (ii) it will ensure that all investors receive the same information which is material or necessary to the evaluation of the Issuer's current market, economic, financial and legal situation and its expected development, including that which was discussed in any personal consultation with an investor, and (iii) the following standard wording will be included in all such written communication:

"PURSUANT TO SECTION 18 OF ACT CXX OF 2001 ON THE CAPITAL MARKETS, THIS BASE PROSPECTUS WAS PREPARED IN CONNECTION WITH A PRIVATE PLACEMENT IN HUNGARY."

11. LIECHTENSTEIN

For selling restrictions in respect of Liechtenstein, please see "Public Offer Selling Restriction under the Prospectus Directive" above.

The FMA as the competent authority of the country of origin in line with the Prospectus Directive and as stipulated in Article 29 of the Liechtenstein Securities Prospectus Act approved this Base Prospectus in accordance with Article 15 of the Liechtenstein Securities Prospectus Act. In this course the FMA did not entirely investigate the correctness of the information provided in this Base Prospectus, but as required by the law (Article 3 sec. 1 lit. r Liechtenstein Securities Prospectus Act) verify the completeness, the coherence and the comprehensibility of this Base Prospectus. In compliance with Article 17 of the Liechtenstein Securities Prospectus Act, the respective Base Prospectus subsequently was deposited with the FMA and has been published on the website of the Issuer in accordance with Article 17(3)(c) of the Liechtenstein Securities Prospectus Act.

In accordance with Article 23 Liechtenstein Securities Prospectus Act the Issuer applied that the FMA provides the competent authorities of the Public Offer Jurisdictions with a confirmation that this Base Prospectus was approved in Liechtenstein in accordance with the applicable law. It is furthermore possible that the Issuer requests the FMA in the future to send such a confirmation to the competent authorities of other Host Member States as well.

12. MALTA

The Notes may be offered in Malta only if this Base Prospectus has been passported into Malta in accordance with the provisions of Part VI of Part A of the Second Schedule to the Companies Act, which would require the Liechtenstein Financial Market Authority to provide the Maltese Registrar of Companies with a certificate of approval and a copy of the prospectus as approved, together with, where requested by the Registrar, a translation into English or Maltese of the summary of the Prospectus.

The certificate of approval shall consist of a statement (a) that the prospectus has been drawn up in accordance with the Prospectus Directive; (b) that the prospectus has been approved, in accordance with the Prospectus Directive, by the Liechtenstein Financial Market Authority; and where applicable (c) of the reasons as to why the Liechtenstein Financial Market Authority authorised, in accordance with the Prospectus Directive, the omission from the prospectus of information which would otherwise have been included.

13. POLAND

The public offering of Notes, which are the subject of the offering contemplated by this Base Prospectus, in Poland may be conducted solely in line and based on the Base Prospectus, and only if the Base Prospectus, together with the Polish translation of the summary of the Base Prospectus and other required documents, is provided to the Polish Financial Supervision Commission (*Komisja Nadzoru Finansowego*) and published. In all other circumstances, an offer of Notes which are the subject of the offering contemplated by this Base Prospectus can only be made in a way which does not constitute a public offering of securities in Poland, as defined by Article 3 of the Act on Public Offerings, Conditions Governing the Introduction of Financial Instruments to Organised Trading and on Public Companies dated 23 July 2005 (as amended).

14. ROMANIA

Until this Base Prospectus has been passported to Romania in accordance with all applicable laws:

- (a) This Base Prospectus and any document or advertisement in connection with the Notes may not be distributed or published in Romania, except in circumstances which (i) do not constitute a public offering of securities which requires the approval of a prospectus, public offer announcement or any other document in Romania or by Romanian authorities and (ii) comply with all applicable laws and regulations, including the Capital Markets Law No. 297/2004 (as amended), Regulation 1/2006 (as amended) on issuers and operations with securities, implementing norms issued or approved by the Romanian National Securities Commission, the Romanian Financial Supervisory Authority or any other competent Romanian authority and applicable EU legislation.
- (b) The Notes can be acquired by investors only in such a manner that no approval from the Romanian Financial Supervisory Authority or any other competent Romanian authority is needed.
- (c) The Notes may be offered in Romania on the basis of the exemptions from the obligation to prepare and publish a prospectus provided by Paragraph (3)(a) of Article 183 of the Capital Markets Law No. 297/2004 (as amended) and Subparagraphs 1, 2 and/or 4 of Paragraph (1) of Article 15 of Regulation No. 1/2006 (as amended) on issuers and operations with securities.

15. SLOVAKIA

No offers or sales of any Notes may be made in the Slovak Republic through a public offering, except if in compliance with the Act No. 566/2001 Coll., on securities and investment services, as amended, and other applicable Slovak laws ("Securities Act"). Public offering under the Securities Act shall mean any communication to a broader circle of persons in any form and by any means presenting

sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe to these securities. An offer of securities to the public shall also be understood to include the placing of securities through investment firms or foreign investment firms, provided that it is made in the manner mentioned in the first sentence.

The obligation to publish Base Prospectus does not apply to the following types of offering of the Notes:

- (a) an offer of the Notes addressed solely to qualified investors (as defined in Article 120 (6) of the Securities Act);
- (b) an offer of the Notes addressed to fewer than 150 natural persons or legal entities per EU Member State, other than qualified investors as defined in Article 120 (6) of the Securities Act);
- (c) an offer of the Notes addressed to investors who acquire securities for a total consideration of at least EUR 100,000 per investor, for each separate offer;
- (d) an offer of the Notes whose denomination per unit amounts to at least EUR 100,000; or
- (e) an offer of the Notes in the European Union with a total consideration of less than EUR 100,000, which limit shall be calculated over a period of 12 months.

Any resale of the Notes which were previously the subject of one or more of the types of offer mentioned above under letters (a) to (e) shall be regarded as a separate offer, unless the resale falls within under one of the types of offer under letters (a) to (e) above again. The obligation to publish another prospectus shall not apply to further sales of the Notes or to final placing of securities through financial intermediaries, if a valid Base Prospectus is available and the Issuer or the person responsible for drawing up the prospectus agree to its use based on a written agreement.

16. SLOVENIA

In addition to the rules applicable to the European Economic Area as described above under "*PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS DIRECTIVE*", each of the Offeror and the Issuer has represented and agreed that (i) it has only made and will only make an offer of Notes to the public in Slovenia following the notification of the approval of this Base Prospectus to the Slovenian *Agencija za trg vrednostnih papirjev* by the FMA and in compliance with the Slovenian *Zakon o trgu vrednostnih papirjev (ZTVP)*, especially Articles 73 to 80 and 85 to 87, as amended or substituted, and any other laws applicable in the Republic of Slovenia governing the issue, offering and sale of securities, and that (ii) any private placement in Slovenia has only been made and will only be made in compliance with the Slovenian *Zakon o trgu vrednostnih papirjev (ZTVP)*, as amended or substituted, and any other laws applicable in the Republic of Slovenia governing the issue, offering and sale of securities.

17. UNITED KINGDOM

Each dealer has represented and agreed, and each further dealer appointed under the Base Prospectus will be required to represent and agree, that:

- (a) in relation to any Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom; and
- (c) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

18. SWITZERLAND

The Notes qualify as collective investment products in Switzerland under the Swiss Federal Act on Collective Investment Schemes ("CISA"). They are distributed in or from Switzerland only to qualified investors within the meaning of the CISA. Neither this document nor any other offering or marketing material relating to Timberland Securities SPC or the Notes issued in respect of any one Segregated Portfolio constitutes a prospectus as that term is understood pursuant to Article 652a or 1156 of the Swiss Federal Code of Obligations or a prospectus in the sense of the CISA, and neither this document nor any other offering material relating to the Timberland Securities SPC or the Notes issued in respect of any one Segregated Portfolio may be distributed or otherwise made available to any person other than a qualified investor within the meaning of the CISA. Timberland Securities SPC is not authorized by or registered with the Swiss Financial Market Supervisory Authority FINMA ("FINMA") under the CISA. Therefore, investors do not benefit from protection under the CISA or supervision by the FINMA. The Notes will not be listed on any stock exchange or regulated trading facility in Switzerland. It must be noted that the Issuer of the Notes is not a financial intermediary in the sense of Article 5 para. 1 lit. a CISA and that the Notes are also not guaranteed or otherwise secured by such a financial intermediary.

OFFER TO THE PUBLIC

The Issuer has requested or will request that the FMA provides to the competent authority in each of the Public Offer Jurisdictions a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Upon provision of such certificate, an offer of the Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in the Public Offer Jurisdictions during the period set out in section 1 below. The Notes may only be offered or sold in any jurisdictions (including, without limitation, the Public Offer Jurisdictions), in accordance with the requirements of the relevant securities laws and regulations applicable in such jurisdictions.

1. OFFER PERIOD

The offer period of the relevant issuance of Securities under this Base Prospectus will be specified in the Final Terms. The Issuer reserves the right for any reason to close the offer period early. Subject to the Final Terms the Issuer reserves the right for any reason to continue the offer period after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus. Notice will be made to investors by means of a notice published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto). The Issuer will also regularly inform the Noteholders during the offer period about the number of Notes sold during such offer period to investors by publishing the relevant information on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto). The Issuer will notify the FMA of the result of the offering of the Notes at the end of the offer period.

2. PRICE DURING THE OFFER PERIOD

During the offer period, the Issuer will offer and sell each Note at the relevant subscription price of the Bearer Notes and the Registered Notes, respectively. The relevant subscription price means the price of the Notes subscribed for during the relevant subscription period.

During the offer period, the Securities will initially be offered during a (first) subscription period, and may also be continuously offered thereafter during a second subscription period (in case applicable according to the relevant Final Terms). The subscription price in respect of the Securities subscribed for during the first subscription period will correspond to the nominal amount (and eventually plus front-up commission(s) and/or plus/minus other commissions (as specified in the relevant Final Terms)). In case a second subscription period applies, the subscription price in respect of the Securities subscribed for during this second subscription period will correspond to the product of (A) the nominal amount and (B) the index level on the relevant subscription date (and eventually plus front-up commission(s) and/or plus/minus other commissions (as specified in the relevant Final Terms)).

The relevant subscription price is published on each business day (as defined in the Conditions) on the website specified in the relevant Final Terms and sent to the FMA in accordance with Article 14(2) of the Liechtenstein Securities Prospectus Act.

3. CONDITIONS OF THE OFFER

The Issuer reserves the right to withdraw the offer of Notes for any reason at any time prior to the end of the offer period. In addition, and subject to the Final Terms, the Issuer reserves the continuation of the public offering of the Securities after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus. Subject to the Final Terms, the Issuer reserves the right to continue the public offer subject to the filing of new Final Terms for the Securities under another base prospectus with a longer period of validity.

For the avoidance of doubt, if any application has been made by a potential investor to purchase the Notes and the Issuer exercises the right to withdraw the offer, each such potential investor shall not be entitled to subscribe for or otherwise purchase any Notes. Notice of such withdrawal or cancellation of the issuance of the Notes will be made to investors by means of a notice published

on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto).

The offer of the Notes will be made through different communication channels including public announcements, advertisements, mailing of quarterly reports or newsletters to existing or future investors, marketing activities in connection with coordinated advertising brochures and other printed matter.

4. TIME PERIOD DURING WHICH THE OFFER OF THE NOTES WILL BE OPEN AND DESCRIPTION OF THE APPLICATION PROCESS

The offer of the Notes will be open during the offer period. Applications for the purchase of Notes can be made to the Issuer with a copy to the Distribution Agents at their address at Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and Hüttenallee 137, 47800 Krefeld, Germany, respectively. Amendments to the offer period and the application process, if any, will be notified to investors by means of a notice published on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto).

5. DETAILS OF THE MINIMUM AND/OR MAXIMUM AMOUNT OF APPLICATION

There is no minimum allocation of Notes per investor. The maximum allocation of Notes will be subject only to availability at the time of the application.

There are no pre-identified allotment criteria. The Issuer will adopt allotment criteria that ensure equal treatment of prospective investors and the Issuer or the Distribution Agents) will notify each applicant of the amount of Notes allotted. All the Notes requested during the offer period will be assigned up to the maximum amount of the offer.

6. DETAILS OF THE METHOD FOR PAYING UP AND DELIVERING THE NOTES

The Notes will be sold against payment of the relevant subscription price to the Issuer or to any agent designated by the Issuer as described under the section entitled "*Subscription and Sale*" of this Base Prospectus. Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor's application.

7. MANNER AND DATE IN WHICH RESULTS OF THE OFFER ARE TO BE MADE PUBLIC

The Issuer will also regularly inform the Noteholders during the offer period about the number of Notes sold during such offer period to investors by publishing the relevant information on the website of the Issuer (www.timberlandsecurities.com or any successor or replacement address thereto).

8. CATEGORIES OF POTENTIAL INVESTORS TO WHICH THE NOTES ARE OFFERED

Offers of Notes may be made in each of the Public Offer Jurisdictions to any person during the offer period. In other EEA countries, offers during the offer period may only be made pursuant to an exemption from the obligation under the Prospectus Directive, as implemented in such countries, to publish a prospectus. Outside of the offer period, offers in all jurisdictions (including the Public Offer Jurisdictions) will only be made pursuant to an exemption from the obligation under the Prospectus Directive, as implemented in such countries, to publish a prospectus.

9. DESCRIPTION OF THE POSSIBILITY TO REDUCE SUBSCRIPTIONS AND MANNER FOR REFUNDING EXCESS AMOUNT PAID BY APPLICANTS

Not applicable.

10. USE OF PROCEEDS

Unless otherwise specified in the applicable Final Terms, the Issuer may use parts of the issue proceeds to invest in assets that are suitable to ensure full and punctual payment under the Notes. The Issuer may but shall not be obliged to directly, indirectly, or synthetically invest in the Underlying Securities issued by Timberland Investment and/or its successor. The issuer is free to use the proceeds as it wishes.

GENERAL INFORMATION

1. AUTHORISATION

The issue of the Notes and the creation of the Segregated Portfolios was duly authorised by the resolutions of the board of directors of the Company during a meeting held on 12 November 2018.

2. LISTING AND ADMISSION TO TRADING

The Registered Notes and/or the Bearer Notes may be listed or admitted to trading on any stock exchange or OTF.

Application may be made to any regulated market and/or unregulated Open Market (*Freiverkehr*) of the following stock exchanges: Frankfurt Stock Exchange / Munich Stock Exchange / Stuttgart Stock Exchange / Vienna Stock Exchange / Malta Stock Exchange / European Wholesale Securities Market / Irish Stock Exchange (the **Open Markets**) and/or the Euro MTF market of the Luxembourg Stock Exchange and/or the official list of the Luxembourg Stock Exchange. The Euro MTF market of the Luxembourg Stock Exchanges and the Open Markets are not regulated markets within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. Application for listing and/or for the inclusion to trading may also be made to any other regulated and/or unregulated market and/or organised trading facilities (OTF) within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

3. CLEARING SYSTEMS

The Bearer Notes have been accepted for clearance through Euroclear Bank SA/NV and Clearstream Banking S.A./Clearstream Banking AG.

The address of Euroclear Bank SA/NV is 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream Banking S.A. is 42, avenue J.F. Kennedy, 1855 Luxembourg and for Clearstream Banking AG, The Cube, Mergenthalerallee 61, 65760 Eschborn, Germany.

Securities Identification Code(s) may be allocated to the Registered Notes.

4. DOCUMENTS AVAILABLE

During the life span of this Base Prospectus, physical copies of the following documents may be inspected during usual business hours at the registered office of the Company:

- (a) the Company Articles;
- (b) the Timberland Investment Articles;
- (c) the 2016 Timberland Securities Financial Statements;
- (d) the 2017 Timberland Securities Financial Statements;
- (e) the 2017 Timberland Securities Audit Report;
- (f) the 2016 Timberland Investment Financial Statements;
- (g) the 2017 Timberland Investment Financial Statements;
- (h) the 2016 Timberland Investment Audit Report;
- (i) the 2017 Timberland Investment Audit Report; and

- (j) any future financial statements of the Company and Timberland Investment or their successor(s).

5. SIGNIFICANT OR MATERIAL CHANGE

There has been no significant change in the financial or trading position of the Company and no material adverse change in the financial position or prospects of the Issuer since its incorporation.

6. LITIGATION AND ARBITRATION

The Company was not engaged in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the 12 months preceding the date of this document which are likely to have a material adverse effect upon the Company's financial position or profitability.

7. STATUTORY AUDITOR

The audit firm of the Company and its Segregated Portfolios is Vistra GmbH & Co KG, Wirtschaftsprüfungsgesellschaft, having its registered office at Universitätsstraße 71, 50931 Köln, Germany and is registered with the Cologne registry of companies (*Handelsregister Amtsgericht Köln*) under number HRB 67412. The audit firm is a member of the German Institute of Auditors (*Wirtschaftsprüferkammer*).

8. POST-ISSUANCE TRANSACTION INFORMATION

The Issuer does not intend to provide any post-issuance transaction information in relation to the issue of the Notes, except if required by any applicable laws and regulations.

Signed on behalf of Timberland Securities SPC, acting in respect of the Segregated Portfolios



By: Mr Thomas Krämer

Duly authorised