

BASE PROSPECTUS DATED 28 FEBRUARY 2014



## **INTERMEDIATE CAPITAL GROUP PLC**

**£500,000,000**

**Euro Medium Term Note Programme**

*Arranger and Dealer*

**Deutsche Bank**

AN INVESTMENT IN NOTES ISSUED UNDER THE PROGRAMME INVOLVES CERTAIN RISKS.

YOU SHOULD HAVE REGARD TO THE RISK FACTORS DESCRIBED IN SECTION 2 (*RISK FACTORS*) OF THIS BASE PROSPECTUS. YOU SHOULD ALSO READ CAREFULLY SECTION 12 (*IMPORTANT LEGAL INFORMATION*).

## IMPORTANT NOTICES

### About this document

This document does not constitute an offer to subscribe for any Notes.

This document (the "**Base Prospectus**") constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (as amended) (the "**Prospectus Directive**") and has been prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the "**FCA**"). This Base Prospectus relates to the £500,000,000 Euro Medium Term Note Programme of Intermediate Capital Group plc (the "**Issuer**" or "**ICG**") under which the Issuer may from time to time issue notes ("**Notes**") denominated in any currency agreed between it and the relevant Dealer(s) (as defined below). The Issuer's payment obligations under the Notes will be guaranteed (the "**Guarantee**") by the Guarantors (as defined in Appendix B (*Terms and Conditions of the Notes*) from time to time).

The principal amount (being the amount which is used to calculate payments made on each Note) of all Notes for the time being outstanding under the Programme will not exceed £500,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement described herein), subject to any increase that may be agreed between the Issuer and the relevant Dealer.

The Notes may be issued on a continuing basis to Deutsche Bank AG, London Branch (as a dealer under the Programme) and/or any

additional dealer appointed under the Programme (and whose appointment has not been terminated) from time to time by the Issuer (each a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Application has been made to the FCA in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "**FSMA**") (the "**UK Listing Authority**") for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of the UK Listing Authority (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's regulated market and, where relevant, through the electronic order book for retail bonds (the "**ORB**") of the London Stock Exchange. References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the London Stock Exchange's regulated market and, where relevant, through the ORB. The London Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the

European Parliament and of the Council on markets in financial instruments ("**MiFID**"). This Base Prospectus may be supplemented or replaced from time to time to reflect any significant new factor, material mistake or inaccuracy relating to the information for the time being included in it.

The specific terms of each series or tranche of Notes to be issued under the Programme will be specified in a final terms document (the "**Final Terms**") which will be delivered to the UK Listing Authority and the London Stock Exchange on or before the date of issue of the Notes. Final Terms will also be published on the website of the London Stock Exchange via a regulatory information service.

You should read and understand fully the contents of this Base Prospectus and the relevant Final Terms before making any investment decision in respect of any Notes.

### Responsibility for the information contained in this Base Prospectus

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

Each Original Guarantor named in this Base Prospectus accepts responsibility for the information in relation to itself set out in this Base Prospectus in Section 1 (*Summary*), Section 2 (*Risk Factors*) in relation to the risks relating to the Group (as defined below) and its business; Section 6 (*Description of the Original Guarantors*); Section 7 (*Selected Financial Information of the Original Guarantors*); Section 8 (*Information Incorporated by Reference*); Section 15 (*Additional Information*); and in relation to the Guarantee set out in Appendix B (*Terms and Conditions of the Notes*). To the best of the knowledge of each Original Guarantor (each having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### **Use of defined terms in this Base Prospectus**

Certain terms or phrases in this Base Prospectus are defined in double quotation marks and subsequent references to that term are designated with initial capital letters. The locations in this Base Prospectus where these terms are first defined are set out in Appendix A (*Defined Terms*) of this Base Prospectus.

In this Base Prospectus, all references to the "**Issuer**" are to Intermediate Capital Group plc, which is the issuer of the Notes to be issued under the Programme. All references herein to the "**Group**" are to the Issuer and its

consolidated subsidiaries taken as a whole. See Section 4 (*Description of Intermediate Capital Group plc*) for details of the Issuer's principal subsidiaries.

#### **The Notes are not protected by the Financial Services Compensation Scheme**

The Notes to be issued under the Programme are not protected by the Financial Services Compensation Scheme (the "**FSCS**"). As a result, neither the FSCS nor anyone else will pay compensation to you upon the failure of the Issuer, the Guarantors or the Group as a whole. If the Issuer and/or the Guarantors go out of business or become insolvent, you may lose all or part of your investment in any Notes.

#### **Information incorporated by reference in this Base Prospectus**

This Base Prospectus, including the Appendices, must be read together with all information which is deemed to be incorporated in this Base Prospectus by reference (see Section 8 (*Information Incorporated by Reference*)).

#### **Credit Rating Agency Regulation notice**

The Issuer has a long term debt rating of BBB- from each of Fitch Ratings Limited ("**Fitch**") and Standard and Poor's Credit Market Services Europe Limited ("**S&P**"). Each of Fitch and S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the

Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating organisation. The Programme is not rated by any credit rating agency.

#### **Queries relating to this Base Prospectus and the Notes**

See the section starting on the following page entitled "*How do I use this Base Prospectus?*". If you have any questions regarding the content of this Base Prospectus, any Final Terms and/or any Notes or the actions you should take, it is recommended that you seek advice from your financial adviser, tax adviser or other professional adviser before making any investment decisions.

## HOW DO I USE THIS BASE PROSPECTUS?

You should read and understand fully the contents of this Base Prospectus and the relevant Final Terms before making any investment decision in respect of any Notes. This Base Prospectus contains important information about the Issuer, the Original Guarantors, the Group, the terms of the Notes and the terms of the Guarantee; as well as describing certain risks relating to the Issuer, the Original Guarantors, the Group and their businesses and also other risks relating to an investment in the Notes generally. An overview of the various sections comprising this Base Prospectus is set out below.

The "*Summary*" section sets out in tabular format standard information which is arranged under standard headings and which the Issuer is required, for legal and regulatory reasons, to include in a prospectus summary for a base prospectus of this type. This section also provides the form of the "issue specific summary" information, which will be completed and attached to the Final Terms relating to any Notes which are to be offered under the Programme.

The section "*Risk Factors*" describes the principal risks and uncertainties which may affect the ability of the Issuer and/or the Guarantors to fulfil their respective obligations under the Notes and/or the Guarantee.

The section "*Information About the Programme*" provides an overview of the Programme in order to assist the reader.

The section "*Description of Intermediate Capital Group plc*" provides certain information about the Issuer and its group structure, as well as the nature of the Group's business.

The section "*Description of the Original Guarantors*" provides a description of the subsidiaries of the Issuer who are the Original Guarantors under the Programme.

The section "*Information Incorporated by Reference*" sets out the information that is deemed to be incorporated by reference into this Base Prospectus. This Base Prospectus should be read together with all information which is deemed to be incorporated into this Base Prospectus by reference.

The section "*Subscription and Sale*" contains a description of the material provisions of the Dealer Agreement, which includes certain selling restrictions applicable to making offers of the Notes under the Programme.

The section "*Taxation*" provides a brief outline of certain United Kingdom taxation implications regarding Notes that may be issued under the Programme, as well as certain other taxation considerations which may be relevant to the Notes.

The section "*Clearing and Settlement*" briefly sets out certain information relating to the clearing systems and settlement of securities in CREST.

The section "*Important Legal Information*" contains some important legal information regarding the basis on which this Base Prospectus may be used, forward-looking statements and other important matters.

The section "*Use of Proceeds*" describes the manner in which the Issuer intends to use the proceeds from issues of Notes under the Programme.

The section "*Forms of Final Terms*" sets out the forms of Final Terms that the Issuer will prepare and publish when offering any Notes under the Programme. Any such completed Final Terms will detail the relevant information applicable to each respective offer, amended to be relevant only to the specific Notes being offered.

The section "*Additional Information*" sets out further information on the Issuer, the Guarantors and the Programme which the Issuer is required to include under applicable rules. This includes the availability for inspection of certain documents relating to the Programme, confirmations from the Issuer and the Guarantors and details regarding the listing of the Notes.

The section "*Appendix A (Defined Terms)*" provides a glossary of certain technical terms used in this Base Prospectus as well as an index of defined terms identifying the locations in this Base Prospectus where terms are defined.

The section "*Appendix B (Terms and Conditions of the Notes)*" sets out the terms and conditions which apply to any Notes that may be issued under the Programme. The relevant Final Terms relating to any offer of Notes will complete the terms and conditions of those Notes and should be read in conjunction with this section.

The section "*Appendix C (Summary of Provisions Relating to the Notes while in Global Form)*" provides a summary of certain terms of the Global Notes which apply to the Notes while they are held in global form by the clearing systems, some of which include minor and/or technical modifications to the terms and conditions of the Notes as set out in this Base Prospectus.

A "*Table of Contents*" identifying each section of this Base Prospectus with corresponding page references is included on the next page.

## TABLE OF CONTENTS

	<b>Page</b>
1. SUMMARY .....	1
2. RISK FACTORS.....	18
3. INFORMATION ABOUT THE PROGRAMME .....	31
4. DESCRIPTION OF INTERMEDIATE CAPITAL GROUP PLC .....	38
5. SELECTED FINANCIAL INFORMATION OF INTERMEDIATE CAPITAL GROUP PLC .....	50
6. DESCRIPTION OF THE ORIGINAL GUARANTORS .....	54
7. SELECTED FINANCIAL INFORMATION OF THE ORIGINAL GUARANTORS .....	58
8. INFORMATION INCORPORATED BY REFERENCE .....	62
9. SUBSCRIPTION AND SALE .....	64
10. TAXATION .....	69
11. CLEARING AND SETTLEMENT.....	74
12. IMPORTANT LEGAL INFORMATION .....	78
13. USE OF PROCEEDS.....	86
14. FORMS OF FINAL TERMS .....	88
15. ADDITIONAL INFORMATION .....	107
APPENDIX A – DEFINED TERMS.....	110
APPENDIX B – TERMS AND CONDITIONS OF THE NOTES.....	119
APPENDIX C – SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM ..	145

## 1. SUMMARY

The following is a summary of information relating to Intermediate Capital Group plc, the Original Guarantors and the Programme.

## SUMMARY

*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 these types of security and this type of issuer. As 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 the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.*

Section A - Introduction and Warnings		
Element	Title	
A.1	Warning and introduction	<p>This summary must be read as an introduction to the Base Prospectus. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference, by any investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area where the claim is brought, 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 hereof, 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.</p>
A.2	Consent by the Issuer and the Guarantors to the use of the Base Prospectus for subsequent resale or final placement of securities by financial intermediaries	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under Article 3.2 of the Prospectus Directive to publish a prospectus. Any such offer is referred to herein as a "Public Offer".</p> <p><i>Issue specific summary:</i></p> <p>[Not Applicable; [the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency)] [the Notes are issued in denominations of less than €100,000 (or its equivalent in any other currency) but there will be no Public Offer of the Notes].]</p> <p>[<i>Consent:</i> Subject to the conditions set out below, the Issuer and the Guarantors each consent to the use of the Base Prospectus (as supplemented at the relevant time, if applicable) in connection with any Public Offer of Notes in [ ] during the period commencing from, and including, [ ] and ending at [ ], or such earlier date as may be published by the Issuer (the "<b>Offer Period</b>"), by [(a) the relevant Dealer(s)[, (b) the Initial Authorised Offerors named in the Final Terms and (c) any other financial intermediary [whose name is published [on the Issuer's website (<a href="http://www.icgplc.com/investments">http://www.icgplc.com/investments</a>)] identifying such intermediary as being so appointed as an Authorised Offeror] [which satisfies the conditions set out below]. The Issuer accepts responsibility for the content of the Base Prospectus (and each Guarantor accepts responsibility for the information in relation to itself set out in the Base Prospectus) with respect to any subsequent resale or final placement of Notes by any financial intermediary which has consent to use the Base Prospectus. Those persons to whom the Issuer and the Guarantors give their consent in accordance with the foregoing provisions are the "<b>Authorised Offerors</b>".]</p> <p>[<i>Conditions to consent:</i> The conditions to the Issuer's and the Guarantors' consent are that such consent: (i) is only valid in respect of the Notes; (ii) is only valid during the Offer Period; [and] (iii) only extends to the use of the Base Prospectus to make Public Offers in [ ] [and (iv) [ ]]; and [ ]].</p> <p>[<b>Any Authorised Offeror who wishes to use the Base Prospectus in connection with a Public Offer is required, for the duration of the Offer Period, to publish on its website that it is using the Base Prospectus for such Public Offer in accordance with the consent of each of the Issuer and the Guarantors and the conditions attached thereto.</b>]</p>



		<p><b>A Public Offer may only be made, subject to the conditions set out above, during the Offer Period by the Issuer, the Guarantors, the relevant Dealer(s) and/or the other Authorised Offerors.</b></p> <p>Other than as set out above, none of the Issuer, the Guarantors and any Dealer has authorised the making of any offer of Notes by any person in any circumstances and any such person is not permitted to use the Base Prospectus in connection with any offer of Notes. Any such offers are not made on behalf of the Issuer, the Guarantors or by or on behalf of any Dealer or any other Authorised Offeror and none of the Issuer, the Guarantors, any Dealer and any other Authorised Offeror has any responsibility or liability for the actions of any person making such unauthorised offers.</p> <p>An investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements (the "<b>Terms and Conditions of the Public Offer</b>"). Neither the Issuer nor the Guarantors will be a party to any such arrangements with investors in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus will not contain such information.</p> <p><b>THE TERMS AND CONDITIONS OF THE PUBLIC OFFER WILL BE PROVIDED BY THE RELEVANT AUTHORISED OFFEROR TO THE INVESTOR AT THE TIME OF SUCH OFFER.</b></p>
--	--	--

<b>Section B - Summary Information on the Issuer and the Original Guarantors</b>		
<b>Element</b>	<b>Title</b>	
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b>	Intermediate Capital Group plc.
<b>B.2</b>	<b>Domicile and legal form</b>	The Issuer is incorporated in England and Wales under the Companies Act 1985 as a public limited company with registered number 02234775.
<b>B.4b</b>	<b>Known trends affecting the Issuer</b>	The Issuer operates in the fund management industry with particular focus on the alternative investments market. This market includes senior and mezzanine lending to mid-market companies and real estate. These markets are affected by various changes and fluctuations that include governmental regulation, interest rate movements, the availability of credit in the financial markets and general levels of economic confidence. However, there are no known current and specific trends that are materially affecting the Issuer or the industry in which it operates.
<b>B.5</b>	<b>Description of the Group</b>	The Issuer is the ultimate parent company of the Group (as defined in Element B.15 below). The operations of the Group are generally conducted through the Issuer and the Issuer's direct and indirect subsidiaries. Accordingly, the Issuer is dependent on the performance of such members of the Group. The Issuer is listed on the London Stock Exchange.
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable; the Issuer has not made any profit forecast or estimate.
<b>B.10</b>	<b>Qualifications in the Auditors' report</b>	Not applicable; there are no qualifications in the audit reports to the Issuer's annual report and accounts of the Issuer and its consolidated subsidiaries for the financial years ended 31 March 2013 and 31 March 2012.
<b>B.12</b>	<b>Selected key financial information, regarding the Issuer</b>	The following tables present the consolidated income statement, consolidated statements of financial position and consolidated statement of cash flow of the Issuer for, and as at, the years ended 31 March 2013 and 31 March 2012 and for, and as at, the six months ended 30 September 2013. The information has been derived from the Issuer's unaudited consolidated half year financial statements and the Issuer's audited consolidated financial statements audited by Deloitte LLP.

**Audited Consolidated Annual Financial Statements****Consolidated Income Statement**For the year ended  
31 March

	2013	2012
	<i>(£m, except per share information)</i>	
Profit before tax.....	142.6	243.8
Tax expense.....	(18.8)	(56.2)
Profit for the year.....	<u>123.8</u>	<u>187.6</u>
Attributable to:		
Equity holders of the parent.....	124.4	188.3
Non-controlling interests.....	(0.6)	(0.7)
	<u>123.8</u>	<u>187.6</u>
Earnings per share.....	<u>32.1p</u>	<u>47.7p</u>
Diluted earnings per share.....	<u>32.1p</u>	<u>47.6p</u>

**Consolidated Statement of Financial Position**

As at 31 March

	2013 (£m)	2012 (£m)
Total assets.....	<u>2,899.4</u>	<u>2,656.1</u>
Total equity and liabilities.....	<u>2,899.4</u>	<u>2,656.1</u>

**Consolidated Statement of Cash Flow**For the year ended  
31 March

	2013 (£m)	2012 (£m)
Net increase/(decrease) in cash.....	<u>(106.8)</u>	<u>15.8</u>
Net cash and cash equivalents at end of year.....	<u>41.8</u>	<u>149.8</u>

**Unaudited Condensed Consolidated Financial Statements****Condensed Consolidated Income Statement**For the six months ended  
30 September

	2013	2012
	<i>(£m, except per share information)</i>	
Profit before tax.....	155.3	39.6
Tax expenses.....	(32.4)	(0.1)
Profit for the period.....	<u>122.9</u>	<u>39.5</u>
Attributable to:		
Equity holders of the parent.....	123.0	39.8
Non-controlling interests.....	(0.1)	(0.3)
	<u>122.9</u>	<u>39.5</u>
Earnings per share.....	<u>32.0p</u>	<u>10.3p</u>
Diluted earnings per share.....	<u>31.9p</u>	<u>10.3p</u>

**Condensed Consolidated Statement of Financial Position**

As at 30 September

	2013 (£m)	2012 (£m)
Total assets.....	<u>2,431.2</u>	<u>2,732.2</u>
Total equity and liabilities.....	<u>2,431.2</u>	<u>2,732.2</u>

		<p style="text-align: right;">For the six months ended 30 September</p> <p><b>Condensed Consolidated Statement of Cash Flow</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%; text-align: right; border-bottom: 1px solid black;">2013</th> <th style="width: 10%; text-align: right; border-bottom: 1px solid black;">2012</th> </tr> <tr> <th></th> <th style="text-align: right;">(£m)</th> <th style="text-align: right;">(£m)</th> </tr> </thead> <tbody> <tr> <td>Net increase/(decrease) in cash.....</td> <td style="text-align: right; border-bottom: 1px solid black;">147.1</td> <td style="text-align: right; border-bottom: 1px solid black;">(8.4)</td> </tr> <tr> <td>Net cash and cash equivalents at end of period.....</td> <td style="text-align: right; border-bottom: 3px double black;">184.1</td> <td style="text-align: right; border-bottom: 3px double black;">135.9</td> </tr> </tbody> </table> <p>There has been no significant change in the financial or trading position of the Issuer or the Group since 30 September 2013 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 March 2013.</p>		2013	2012		(£m)	(£m)	Net increase/(decrease) in cash.....	147.1	(8.4)	Net cash and cash equivalents at end of period.....	184.1	135.9
	2013	2012												
	(£m)	(£m)												
Net increase/(decrease) in cash.....	147.1	(8.4)												
Net cash and cash equivalents at end of period.....	184.1	135.9												
<b>B.13</b>	<b>Recent material events relevant to the Issuer's solvency</b>	Not applicable; there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.												
<b>B.14</b>	<b>Dependency on other members of the Group</b>	As the parent company of the Group, the Issuer is reliant on other members of the Group to provide fund management services as well as to hold other assets that are ultimately included in the consolidated balance sheet of the Group.												
<b>B.15</b>	<b>Issuer's principal activities</b>	<p>The Issuer along with its consolidated subsidiaries (the "<b>Group</b>") structures and provides (a) mezzanine finance, which is debt that ranks ahead of equity but behind the debt of other parties, such as bank lenders, (b) equity, and (c) leveraged debt, which includes loans or other forms of debt which is incurred specifically to fund the acquisition of a company or part of it and where assets of the acquired company are usually used as security for the loans.</p> <p>The Issuer invests in the above products on behalf of third parties (the fund management business) and on its own behalf. The Issuer also invests in seed capital in its third party funds.</p> <p>The Issuer is the ultimate parent company of the Group.</p>												
<b>B.16</b>	<b>Ownership structure</b>	The Issuer is not directly or indirectly owned or controlled.												
<b>B.17</b>	<b>Credit ratings</b>	<p>The Issuer has been rated BBB- by each of Fitch Ratings Limited ("<b>Fitch</b>") and Standard and Poor's Credit Market Services Europe Limited ("<b>S&amp;P</b>").</p> <p><i>Programme summary:</i> Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as any rating assigned to the Issuer or any other Notes.</p> <p><i>Issue specific summary:</i> [The Notes [are not/have been/are expected to be] rated.]:</p> <p>[<i>Rating agency</i>]: [ ]</p> <p>[[<i>Rating agency</i>] is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "<b>CRA Regulation</b>").]</p>												
<b>B.18</b>	<b>Nature and scope of the guarantee</b>	<p>Each of the Guarantors has, pursuant to the trust deed (the "<b>Trust Deed</b>") dated 28 February 2014 between the Issuer, the Original Guarantors and Deutsche Trustee Company Limited (the "<b>Trustee</b>"), jointly and severally, unconditionally and irrevocably, subject to release of any such Guarantor under the Terms and Conditions of the Notes, guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the coupons relating to them (the "<b>Coupons</b>").</p> <p>Under the Terms and Conditions of the Notes, if any subsidiary of the Issuer provides a guarantee in respect of any facility agreement of the Group under which indebtedness of £100,000,000 (or its equivalent in other currencies) or more is incurred, the Issuer will procure that such subsidiary will accede as a guarantor in respect of any Notes issued under the Programme.</p>												

		Similarly, if any subsidiary of the Issuer ceases to provide a guarantee in respect of any such facility agreement of the Group, such guarantor will in certain circumstances cease to be a guarantor in respect of the Notes.																																																			
<b>B.19</b>	<b>Information about the Guarantors</b>	Information about the Original Guarantors (as applicable) is set out below.																																																			
<b>B.19/ B.1</b>	<b>Legal and commercial name of the Guarantor</b>	Intermediate Capital Investments Limited ("ICIL").																																																			
<b>B.19/ B.2</b>	<b>Domicile and legal form</b>	ICIL is incorporated in England and Wales under the Companies Act 1985 as a private limited company with registered number 02327070.																																																			
<b>B.19/ B.4b</b>	<b>Known trends affecting the Guarantor</b>	Not applicable; there are no known trends affecting ICIL and the industries in which it operates.																																																			
<b>B.19/ B.5</b>	<b>Description of the Group</b>	ICIL is an asset-owning consolidated subsidiary of the Issuer.																																																			
<b>B.19/ B.9</b>	<b>Profit forecast or estimate</b>	Not applicable; there is no profit forecast or estimate that has been made.																																																			
<b>B.19/ B.10</b>	<b>Qualifications in the Auditors' report</b>	Not applicable; there are no qualifications in the audit report on the historical information.																																																			
<b>B.19/ B.12</b>	<b>Selected key financial information regarding the Guarantors</b>	<p><b>ICIL</b></p> <p>The following tables present the profit and loss account, balance sheet and cash flow statement of ICIL for, and as at, the years ended 31 March 2013 and 31 March 2012. The information has been derived from ICIL's audited financial statements audited by Deloitte LLP.</p> <p><b>Profit &amp; Loss Account</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: center; width: 20%;">2013</th> <th style="text-align: center; width: 20%;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Profit on ordinary activities after taxation.....</td> <td style="text-align: right; border-top: 1px solid black;">42,272</td> <td style="text-align: right; border-top: 1px solid black;">13,098</td> </tr> <tr> <td></td> <td style="text-align: right; border-bottom: 3px double black;">42,272</td> <td style="text-align: right; border-bottom: 3px double black;">13,098</td> </tr> </tbody> </table> <p><b>Balance Sheet</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">As at 31 March</th> </tr> <tr> <th></th> <th style="text-align: center; width: 20%;">2013</th> <th style="text-align: center; width: 20%;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Total assets .....</td> <td style="text-align: right; border-top: 1px solid black;">309,920</td> <td style="text-align: right; border-top: 1px solid black;">281,905</td> </tr> <tr> <td>Total capital employed .....</td> <td style="text-align: right; border-top: 1px solid black;">70,270</td> <td style="text-align: right; border-top: 1px solid black;">64,548</td> </tr> <tr> <td></td> <td style="text-align: right; border-bottom: 3px double black;">70,270</td> <td style="text-align: right; border-bottom: 3px double black;">64,548</td> </tr> </tbody> </table> <p><b>Cash Flow Statement</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: center; width: 20%;">2013</th> <th style="text-align: center; width: 20%;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Cash and cash equivalents at the beginning of the year .....</td> <td style="text-align: right; border-top: 1px solid black;">88</td> <td style="text-align: right; border-top: 1px solid black;">88</td> </tr> <tr> <td>Cash and cash equivalents at the end of the year .....</td> <td style="text-align: right; border-top: 1px solid black;">-</td> <td style="text-align: right; border-top: 1px solid black;">88</td> </tr> <tr> <td></td> <td style="text-align: right; border-bottom: 3px double black;">-</td> <td style="text-align: right; border-bottom: 3px double black;">88</td> </tr> </tbody> </table> <p>There has been no significant change in the financial or trading position of ICIL and no material adverse change in the prospects of ICIL since 31 March 2013.</p>		For the year ended 31 March			2013	2012		(£'000)	(£'000)	Profit on ordinary activities after taxation.....	42,272	13,098		42,272	13,098		As at 31 March			2013	2012		(£'000)	(£'000)	Total assets .....	309,920	281,905	Total capital employed .....	70,270	64,548		70,270	64,548		For the year ended 31 March			2013	2012		(£'000)	(£'000)	Cash and cash equivalents at the beginning of the year .....	88	88	Cash and cash equivalents at the end of the year .....	-	88		-	88
	For the year ended 31 March																																																				
	2013	2012																																																			
	(£'000)	(£'000)																																																			
Profit on ordinary activities after taxation.....	42,272	13,098																																																			
	42,272	13,098																																																			
	As at 31 March																																																				
	2013	2012																																																			
	(£'000)	(£'000)																																																			
Total assets .....	309,920	281,905																																																			
Total capital employed .....	70,270	64,548																																																			
	70,270	64,548																																																			
	For the year ended 31 March																																																				
	2013	2012																																																			
	(£'000)	(£'000)																																																			
Cash and cash equivalents at the beginning of the year .....	88	88																																																			
Cash and cash equivalents at the end of the year .....	-	88																																																			
	-	88																																																			
<b>B.19/ B.13</b>	<b>Recent material events particular to the Guarantor's solvency</b>	Not applicable; there have been no recent events particular to ICIL which are to a material extent relevant to the evaluation of ICIL's solvency.																																																			
<b>B.19/ B.14</b>	<b>Dependency on other members of the Group</b>	As a subsidiary within the Group, ICIL is reliant on other members of the Group to provide fund management services.																																																			
<b>B.19/ B.15</b>	<b>Guarantor's principal activities</b>	ICIL's primary business activities are the making of investments and owning an investment portfolio as part of the Issuer's investment business segment.																																																			

<b>B.19/ B.16</b>	<b>Ownership structure</b>	ICIL is a wholly owned subsidiary of the Issuer.																																										
<b>B.19/ B.17</b>	<b>Ratings</b>	Not applicable; ICIL is not rated.																																										
<b>B.19/ B.1</b>	<b>Legal and commercial name of the Guarantor</b>	Intermediate Capital Managers Limited ("ICML").																																										
<b>B.19/ B.2</b>	<b>Domicile and legal form</b>	ICML is incorporated in England and Wales under the Companies Act 1985 as a private limited company with registered number 02327504.																																										
<b>B.19/ B.4b</b>	<b>Known trends affecting the Guarantor</b>	Not applicable; there are no known trends affecting ICML and the industries in which it operates.																																										
<b>B.19/ B.5</b>	<b>Description of the Group</b>	ICML is a consolidated subsidiary of the Issuer providing fund management services to both the third party investors and the other companies within the Group.																																										
<b>B.19/ B.9</b>	<b>Profit forecast or estimate</b>	Not applicable; there is no profit forecast or estimate that has been made.																																										
<b>B.19/ B.10</b>	<b>Qualifications in the Auditors' report</b>	Not applicable; there are no qualifications in the audit report on the historical information.																																										
<b>B.19/ B.12</b>	<b>Selected key financial information regarding the Guarantors</b>	<p><b>ICML</b></p> <p>The following tables present the profit and loss account, balance sheet and cash flow statement of ICML for, and as at, the years ended 31 March 2013 and 31 March 2012. The information has been derived from ICML's audited financial statements audited by Deloitte LLP.</p> <p><b>Profit &amp; Loss Account</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Profit on ordinary activities after taxation.....</td> <td style="text-align: right; border-top: 1px solid black;">37,708</td> <td style="text-align: right; border-top: 1px solid black;">39,812</td> </tr> </tbody> </table> <p><b>Balance Sheet</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">As at 31 March</th> </tr> <tr> <th></th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Total assets .....</td> <td style="text-align: right; border-top: 1px solid black;">102,691</td> <td style="text-align: right; border-top: 1px solid black;">62,790</td> </tr> <tr> <td>Total capital employed .....</td> <td style="text-align: right; border-top: 1px solid black;">33,545</td> <td style="text-align: right; border-top: 1px solid black;">44,512</td> </tr> </tbody> </table> <p><b>Cash Flow Statement</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2012</th> </tr> <tr> <th></th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Cash and cash equivalents at the beginning of the year .....</td> <td style="text-align: right; border-top: 1px solid black;">1</td> <td style="text-align: right; border-top: 1px solid black;">1</td> </tr> <tr> <td>Cash and cash equivalents at the end of the year .....</td> <td style="text-align: right; border-top: 1px solid black;">-</td> <td style="text-align: right; border-top: 1px solid black;">1</td> </tr> </tbody> </table> <p>There has been no significant change in the financial or trading position of ICML and no material adverse change in the prospects of ICML since 31 March 2013.</p>		For the year ended 31 March			2013	2012		(£'000)	(£'000)	Profit on ordinary activities after taxation.....	37,708	39,812		As at 31 March			2013	2012		(£'000)	(£'000)	Total assets .....	102,691	62,790	Total capital employed .....	33,545	44,512		For the year ended 31 March			2013	2012		(£'000)	(£'000)	Cash and cash equivalents at the beginning of the year .....	1	1	Cash and cash equivalents at the end of the year .....	-	1
	For the year ended 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Profit on ordinary activities after taxation.....	37,708	39,812																																										
	As at 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Total assets .....	102,691	62,790																																										
Total capital employed .....	33,545	44,512																																										
	For the year ended 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Cash and cash equivalents at the beginning of the year .....	1	1																																										
Cash and cash equivalents at the end of the year .....	-	1																																										
<b>B.19/ B.13</b>	<b>Recent material events particular to the Guarantor's solvency</b>	Not applicable; there have been no recent events particular to ICML which are to a material extent relevant to the evaluation of ICML's solvency.																																										
<b>B.19/ B.14</b>	<b>Dependency on other members of the Group</b>	As a subsidiary within the Group, ICML is reliant on other members of the Group to hold the assets that represent commitments to the funds that it is a fund manager for.																																										
<b>B.19/ B.15</b>	<b>Guarantor's principal activities</b>	ICML's primary business activity is to act as the investment advisor to the Issuer's fund management business segment.																																										
<b>B.19/ B.16</b>	<b>Ownership structure</b>	ICML is a wholly owned subsidiary of the Issuer.																																										

<b>B.19/ B.17</b>	<b>Ratings</b>	Not applicable; ICML is not rated.																																										
<b>B.19/ B.1</b>	<b>Legal and commercial name of the Guarantor</b>	Intermediate Investments LLP (" <b>IIL</b> ").																																										
<b>B.19/ B.2</b>	<b>Domicile and legal form</b>	IIL is incorporated under the Limited Liability Partnerships Act 2000 and registered in England and Wales as a limited liability partnership with registered number OC323795.																																										
<b>B.19/ B.4b</b>	<b>Known trends affecting the Guarantor</b>	Not applicable; there are no known trends affecting IIL and the industries in which it operates.																																										
<b>B.19/ B.5</b>	<b>Description of the Group</b>	IIL is an asset-owning consolidated subsidiary of the Issuer.																																										
<b>B.19/ B.9</b>	<b>Profit forecast or estimate</b>	Not applicable; there is no profit forecast or estimate that has been made.																																										
<b>B.19/ B.10</b>	<b>Qualifications in the Auditors' report</b>	Not applicable; there are no qualifications in the audit report on the historical information.																																										
<b>B.19/ B.12</b>	<b>Selected key financial information regarding the Guarantors</b>	<p><b>IIL</b></p> <p>The following tables present the profit and loss account, balance sheet and cash flow statement of IIL for, and as at, the years ended 31 March 2013 and 31 March 2012. The information has been derived from IIL's audited financial statements audited by Deloitte LLP.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Profit &amp; Loss Account</b></th> <th colspan="2" style="text-align: right; border-bottom: 1px solid black;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: right; border-bottom: 1px solid black;">2013</th> <th style="text-align: right; border-bottom: 1px solid black;">2012</th> </tr> <tr> <th></th> <th style="text-align: right;">(£'000)</th> <th style="text-align: right;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Result for the financial year available for discretionary division among members.....</td> <td style="text-align: right; border-top: 1px solid black;">-</td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Balance Sheet</b></th> <th colspan="2" style="text-align: right; border-bottom: 1px solid black;">As at 31 March</th> </tr> <tr> <th></th> <th style="text-align: right; border-bottom: 1px solid black;">2013</th> <th style="text-align: right; border-bottom: 1px solid black;">2012</th> </tr> <tr> <th></th> <th style="text-align: right;">(£'000)</th> <th style="text-align: right;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Net assets attributable to members.....</td> <td style="text-align: right; border-top: 1px solid black;">77,379</td> <td style="text-align: right; border-top: 1px solid black;">76,636</td> </tr> <tr> <td>Total members' interests .....</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">77,379</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">76,636</td> </tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Cash Flow Statement</b></th> <th colspan="2" style="text-align: right; border-bottom: 1px solid black;">For the year ended 31 March</th> </tr> <tr> <th></th> <th style="text-align: right; border-bottom: 1px solid black;">2013</th> <th style="text-align: right; border-bottom: 1px solid black;">2012</th> </tr> <tr> <th></th> <th style="text-align: right;">(£'000)</th> <th style="text-align: right;">(£'000)</th> </tr> </thead> <tbody> <tr> <td>Cash and cash equivalents at the beginning of the year .....</td> <td style="text-align: right; border-top: 1px solid black;">-</td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> <tr> <td>Cash and cash equivalents at the end of the year .....</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">-</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">-</td> </tr> </tbody> </table> <p>There has been no significant change in the financial or trading position of IIL and no material adverse change in the prospects of IIL since 31 March 2013.</p>	<b>Profit &amp; Loss Account</b>	For the year ended 31 March			2013	2012		(£'000)	(£'000)	Result for the financial year available for discretionary division among members.....	-	-	<b>Balance Sheet</b>	As at 31 March			2013	2012		(£'000)	(£'000)	Net assets attributable to members.....	77,379	76,636	Total members' interests .....	77,379	76,636	<b>Cash Flow Statement</b>	For the year ended 31 March			2013	2012		(£'000)	(£'000)	Cash and cash equivalents at the beginning of the year .....	-	-	Cash and cash equivalents at the end of the year .....	-	-
<b>Profit &amp; Loss Account</b>	For the year ended 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Result for the financial year available for discretionary division among members.....	-	-																																										
<b>Balance Sheet</b>	As at 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Net assets attributable to members.....	77,379	76,636																																										
Total members' interests .....	77,379	76,636																																										
<b>Cash Flow Statement</b>	For the year ended 31 March																																											
	2013	2012																																										
	(£'000)	(£'000)																																										
Cash and cash equivalents at the beginning of the year .....	-	-																																										
Cash and cash equivalents at the end of the year .....	-	-																																										
<b>B.19/ B.13</b>	<b>Recent material events particular to the Guarantor's solvency</b>	Not applicable; there have been no recent events particular to IIL which are to a material extent relevant to the evaluation of the IIL's solvency.																																										
<b>B.19/ B.14</b>	<b>Dependency on other members of the Group</b>	As a subsidiary within the Group, IIL is reliant on other members of the Group to provide fund management services.																																										
<b>B.19/ B.15</b>	<b>Principal activities</b>	IIL's primary business activity is that of holding and managing an investment portfolio as part of the Issuer's investment business segment.																																										
<b>B.19/ B.16</b>	<b>Ownership structure</b>	IIL is indirectly controlled and owned by the Issuer.																																										
<b>B.19/ B.17</b>	<b>Ratings</b>	Not applicable; IIL is not rated.																																										

Section C - Summary Information on the Notes		
Element	Title	
C.1	Description of type and class of the Notes, including any ISIN	<p><i>Programme summary:</i></p> <p>The Notes described in this summary are debt securities which may be issued under the £500,000,000 Euro Medium Term Note programme of Intermediate Capital Group plc arranged by Deutsche Bank AG, London Branch. Deutsche Bank AG, London Branch also acts as a dealer under the Programme.</p> <p>The Issuer may from time to time appoint additional dealers or terminate the appointment of any dealer either in respect of one or more Tranches or in respect of the whole Programme. References in this summary and the Base Prospectus to "<b>Dealers</b>" are to all persons appointed as a dealer in respect of one or more Tranches by the Issuer from time to time and whose appointment has not been terminated.</p> <p>The Notes may be issued on a syndicated or a non-syndicated basis. The Notes will be issued in series (each a "<b>Series</b>") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "<b>Tranche</b>") on the same or different issue dates. The specific terms of each Tranche (which, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in a final terms document ("<b>Final Terms</b>") relating to such Tranche.</p> <p>The Notes may be Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes or any combination of these, as specified below. Notes may be issued at their principal amount or at a discount or premium to their principal amount. The Issue Price of the relevant Notes will be determined by the Issuer before filing of the relevant Final Terms of each Tranche based on the prevailing market conditions. Notes will be in such denominations as may be specified below.</p> <p>The Notes will be issued in bearer form only. Each Tranche of Notes will initially be represented by a temporary Global Note or a permanent Global Note, in each case without interest coupons, which will be deposited with a common depository or common safekeeper (as applicable) on behalf of Clearstream Banking <i>société anonyme</i> ("<b>Clearstream, Luxembourg</b>") and Euroclear Bank S.A./N.V. ("<b>Euroclear</b>") on or about the issue date of the relevant Tranche. Save in limited circumstances, Notes in definitive form with coupons attached will not be issued in exchange for interests in the relevant Global Note.</p> <p>In addition, in certain circumstances, investors may also hold interests in the Notes indirectly through Euroclear UK &amp; Ireland Limited ("<b>CREST</b>") through the issuance of dematerialised depository interests issued, held, settled and transferred through CREST ("<b>CDIs</b>"). CDIs represent interests in the relevant Notes underlying the CDIs; the CDIs are not themselves Notes. CDIs are independent securities distinct from the Notes, are constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated). CDI holders will not be entitled to deal directly in the Notes.</p> <p><i>Issue specific summary:</i></p> <p>Series number: [ ]</p> <p>Tranche number: [ ]</p> <p>Aggregate Principal Amount:</p> <p>(i) Series: [ ]</p> <p>(ii) Tranche: [ ]</p>

		<p>Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]</p> <p>Specified Denomination(s): [ ]</p> <p>Form of Notes: [Temporary Global Note exchangeable for permanent Global Note which is exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]</p> <p>[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]</p> <p>[Permanent Global Note exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]</p> <p>ISIN: [ ]</p> <p>Common Code: [ ]</p>
<b>C.2</b>	<b>Currency of the Notes</b>	<p><i>Programme summary:</i></p> <p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer or Dealers.</p> <p><i>Issue specific summary:</i></p> <p>The Specified Currency of the Notes to be issued is [ ].</p>
<b>C.5</b>	<b>A description of any restriction on the free transferability of the Notes</b>	<p><i>Programme summary:</i></p> <p>The Notes will be freely transferable. However, the primary offering of any Notes will be subject to offer restrictions in the United States, the European Economic Area (including the United Kingdom), Guernsey, the Isle of Man, Japan and Jersey and to any applicable offer restrictions in any other jurisdiction in which such Notes are offered or sold. The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act 1933.</p> <p><i>Issue specific summary:</i></p> <p>U.S. selling restrictions: Regulation S Compliance Category 2; [TEFRA C Rules/TEFRA D Rules/TEFRA not applicable]</p>
<b>C.8</b>	<b>Description of the rights attached to the Notes</b>	<p><b><i>Status of the Notes and the Guarantee:</i></b></p> <p>The Notes and Coupons constitute direct, unconditional and, subject to the provisions of the negative pledge (as described below), unsecured obligations of the Issuer and shall at all times (subject as aforesaid) rank <i>pari passu</i> (i.e. equally in right of payment), without any preference among themselves, with all other present and future unsecured and unsubordinated obligations of the Issuer, but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.</p> <p>Similarly, the obligations of each Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of the negative pledge) unsecured obligations of the relevant Guarantor and shall at all times (subject as aforesaid) rank <i>pari passu</i>, without any preference among themselves, with all other present and future unsecured and unsubordinated obligations of such Guarantor but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.</p>



	<p><b><i>Negative pledge:</i></b></p> <p>The Terms and Conditions of the Notes contain a negative pledge provision. In general terms, a negative pledge provision restricts an issuer of unsecured bonds from granting security over assets for other comparable bond financings. Under the negative pledge provision in the Terms and Conditions of the Notes, therefore, none of the Issuer, any Guarantor and any other material subsidiary of the Issuer may create, assume or permit to subsist any security upon the whole or any part of their undertaking, assets or revenues to secure any bond type debt without securing the Notes and the obligations of the Guarantors under the Guarantee equally, subject to certain exceptions.</p> <p><b><i>Events of default:</i></b></p> <p>An event of default generally refers to a breach by the Issuer, any Guarantor and any material subsidiary of the Group of certain provisions described in the Terms and Conditions of the Notes. Events of default under the Notes include non-payment of principal for seven days; non-payment of interest for 14 days; breach of other obligations under the Notes or the Trust Deed (which breach is not remedied within 30 days); cross-acceleration relating to certain other indebtedness of the Issuer, a Guarantor or any material subsidiary; and certain events related to enforcement, insolvency or winding up of the Issuer, a Guarantor or any material subsidiary. Customary thresholds and grace periods are applicable before certain of the events described above will be deemed to constitute "events of default".</p> <p>In addition, (i) in certain circumstances, it will also be necessary for the Trustee to certify that the occurrence of any such event is materially prejudicial to the interests of the holders of the Notes ("<b>Noteholders</b>") before the event will constitute an "event of default" and (ii) certain events will not be deemed to occur to the extent that any such event arises in relation to a Permitted Transaction (generally, any securitisation or other structured finance transaction where the obligations of the Issuer, Guarantor or any material subsidiary are funded by identified property or assets and where recourse to the Issuer, Guarantor or material subsidiary in respect of such obligations is limited to such property or assets).</p> <p><b><i>Withholding tax:</i></b></p> <p>All payments of principal and interest made by the Issuer or any Guarantor in respect of the Notes and the Coupons, 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 relevant jurisdiction or any authority therein or thereof having power to tax, unless required by law or pursuant to a voluntary agreement with a taxing authority. In such case the Issuer or any Guarantor shall pay additional amounts as will result in receipt by the holders of the Notes and Coupons of such amounts as would have been received by them had no such withholding or deduction been required, subject to customary exceptions.</p> <p><b><i>Meetings of Noteholders:</i></b></p> <p>The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not vote on the relevant resolution and Noteholders who voted in a manner contrary to the majority.</p> <p><b><i>Modification, waiver and substitution:</i></b></p> <p>The Trustee may, in certain circumstances, without the consent of Noteholders, agree to (i) any modification of (subject to certain exceptions), or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed or (ii) the substitution of certain other entities in place of the Issuer, any Guarantor or any previous substituted company as principal debtor or guarantor under the Notes.</p>
--	--

		<p><b>Governing law:</b></p> <p>English law.</p>
<b>C.9</b>	<b>Interest and redemption provisions</b>	<p><b>Interest Rate:</b></p> <p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate. Interest will be payable on such date or dates as may be specified below.</p> <p><i>Fixed Rate Notes</i></p> <p><i>Issue specific summary:</i></p> <p>[The Notes are not Fixed Rate Notes.]</p> <p>[Rate)s of Interest: [ ] per cent. per annum</p> <p>Interest Payment Dates: [ ] and [ ] in each year]</p> <p><i>Floating Rate Notes</i></p> <p>Floating Rate Notes will bear interest determined separately for each Series; either determined on the basis of the applicable 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc) ("<b>ISDA Determination</b>") or else by reference to LIBOR or EURIBOR, as adjusted for any applicable margin ("<b>Screen Rate Determination</b>").</p> <p><i>Issue specific summary:</i></p> <p>[The Notes are not Floating Rate Notes.]</p> <p>[Interest Period(s): [ ]]</p> <p>[Specified Interest Payment Dates: [ ] and [ ] in each year, subject to adjustment in accordance with the Business Day Convention set out below]</p> <p>First Interest Payment Date: [ ]</p> <p>Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]</p> <p>Determination of Rate(s) of Interest: [Screen Rate Determination/ISDA Determination]</p> <p>Margin(s): [+/-][ ] per cent. per annum</p> <p>Minimum Rate of Interest: [ ]</p> <p>Maximum Rate of Interest: [ ]</p> <p><i>Zero Coupon Notes</i></p> <p>Zero Coupon Notes will be issued at a discount to their principal amount and will not bear interest.</p> <p><i>Issue specific summary:</i></p> <p>[The Notes are not Zero Coupon Notes.]</p> <p>Amortisation Yield: [ ]]</p>



		<p>Early Redemption Amount payable [ ] per Calculation Amount on redemption for taxation reasons or on event of default or other early redemption:</p> <p><b>Indication of Yield</b></p> <p>Yield will be calculated on the basis of the Issue Price and is set out below. This is not an indication of future yield.</p> <p><i>Issue specific summary:</i></p> <p>Yield on the Issue Date: [ ]</p> <p><b>Trustee</b></p> <p>Deutsche Trustee Company Limited</p>
<b>C.10</b>	<b>Derivative component in interest payments</b>	Not applicable; there will be no derivative component in any interest payments made in respect of the Notes. Hence payments are not linked to specific market references, such as a formula, index or inflation.
<b>C.11</b>	<b>An indication as to whether the Notes will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with an indication of the markets in question</b>	<p><i>Programme summary:</i></p> <p>Application has been made to admit Notes issued during the period of 12 months from the date of the Base Prospectus to the Official List and to trading on London Stock Exchange's regulated market.</p> <p>Notes may be admitted to trading on the electronic order book for retail bonds (ORB) on the London Stock Exchange's regulated market.</p> <p><i>Issue specific summary:</i></p> <p>[Application [has been] [is expected to be] made by the Issuer (or on its behalf) for the Notes to be listed on the Official List and admitted to trading on the [electronic order book for retail bonds (ORB) of the] regulated market of the London Stock Exchange with effect from or about [ ].]</p> <p>[The Notes will be the subject of a Public Offer but are not intended to be admitted to trading.]</p> <p>[Not Applicable. Please refer to Element C.21 below.]</p>
<b>C.21</b>	<b>An indication of the market where the Notes will be traded and for which the Base Prospectus has been published</b>	<p><i>Programme summary:</i></p> <p>Application has been made to admit Notes issued during the period of 12 months from the date of the Base Prospectus to the Official List and to trading on London Stock Exchange's regulated market.</p> <p><i>Issue specific summary:</i></p> <p>[Application [has been] [is expected to be] made by the Issuer (or on its behalf) for the Notes to be listed on the Official List and admitted to trading on the regulated market of the London Stock Exchange with effect from or about [ ].]</p> <p>[Not Applicable. Please refer to Element C.11 above.]</p>

#### Section D - Summary Risk Factors

Element	Title	
<b>D.2</b>	<b>Key information on the key risks that are specific to the Issuer/ Guarantors</b>	<ul style="list-style-type: none"> <li>Significant unexpected changes or outcomes, beyond those factored into the Group's strategy and business model, may occur, which could have an adverse impact on the Group's performance or financial position.</li> </ul>

		<ul style="list-style-type: none"> <li>• Poor performance of the Group's investment portfolio could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.</li> <li>• The Group may be unable to raise future investment funds from third parties which could limit the Group's capacity to make new investments, increase its exposure to individual deals and decrease the Group's income from management and advisory fees, performance fees and carried interest.</li> <li>• The removal of a member of the Group as the investment manager for one or more funds would reduce fee income and thus could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.</li> <li>• The level of repayments on the Group's loan portfolio and consequently on the timing of the realisation of rolled up interest as well as delays in realising minority interests could have a negative impact on the Group's investment capacity.</li> <li>• The Group is exposed to fluctuations in exchange rates which could adversely affect the Group's returns and financial condition.</li> <li>• If the Group cannot retain and motivate its senior investment professionals and other key employees, the Group's business could be adversely affected.</li> <li>• The Issuer may be subject to a withholding tax of 30 per cent. on certain payments to it, and in certain cases, an affiliate, does not comply with the applicable information reporting and withholding requirements under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "<b>Code</b>"), an intergovernmental agreement entered into in furtherance of such Sections of the Code, any related non-U.S. legislation implemented in furtherance of such an intergovernmental agreement or an agreement with a taxing authority pursuant to such Sections of the Code (collectively, "<b>FATCA</b>"). Any such withholding may materially impair the Issuer's ability to make payments on the Notes.</li> </ul>
<p><b>D.3</b></p>	<p>Key information on the key risks that are specific to the Notes</p>	<ul style="list-style-type: none"> <li>• Unlike a bank deposit, the Notes are not protected by the Financial Services Compensation Scheme (the "<b>FSCS</b>"). As a result, neither the FSCS nor anyone else will pay compensation to investors upon the failure of the Issuer, any of the Guarantors or the Group.</li> <li>• There is a risk of early redemption of the Notes by the Issuer due to a change in tax law or at its option (if such option is applicable). A Noteholder may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate of the Notes and may only be able to do so at a significantly lower rate.</li> <li>• Defined majorities may be permitted to bind all the Noteholders with respect to modification and waivers of the Terms and Conditions of the Notes, including Noteholders who did not attend and vote or who voted in a manner contrary to the majority.</li> <li>• A market for the Notes may not develop, or may not be very liquid and such illiquidity may have a severely adverse effect on the market value of the Notes.</li> <li>• If a payment were to be made or collected through an EU Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to EC Council Directive 2003/48/EC on the taxation of savings income (the "<b>Savings Directive</b>"), neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax.</li> <li>• Payments, including principal, on the Notes to certain Noteholders and beneficial owners may be subject to a withholding tax of 30 per cent. if the Noteholders or beneficial owners do not comply with the relevant requirements under FATCA. No additional amounts will be payable in respect of any amounts deducted or withheld in connection with FATCA.</li> </ul>

	<ul style="list-style-type: none"> <li>Investors in CDIs will have an interest in a separate legal instrument and will not be the legal owners of the Notes in respect of which the CDIs are issued. Accordingly, rights under the Notes cannot be enforced by CDI holders except indirectly through the intermediary depositaries and custodians. Further, such investor will be subject to provisions outside of, and different from, the Notes by virtue of its holding CDIs issued by the CREST Depository.</li> </ul> <p><i>Issue specific summary:</i></p> <ul style="list-style-type: none"> <li>[Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.]</li> <li>[The market price of Notes issued at a substantial [discount/premium] may experience greater fluctuations in certain circumstances.]</li> </ul>
--	--

<b>Section E - Summary Information on the Offer:</b>		
Element	Title	
<b>E.2b</b>	<b>Reasons for the Offer and Use of Proceeds</b>	<p><i>Programme summary:</i></p> <p>The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue there is a particular identified use of proceeds, this will be stated below.</p> <p><i>Issue specific summary:</i></p> <p>Reasons for the offer: [ ]  Use of proceeds: [ ]</p>
<b>E.3</b>	<b>Terms and conditions of the offer</b>	<p><i>Programme summary:</i></p> <p>The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Dealers at the time of issue and specified in the applicable Final Terms. An investor intending to acquire or acquiring any Notes in a Public Offer from an offeror other than the Issuer will do so, and offers and sales of such Notes to an investor by such offeror will be made, in accordance with any terms and other arrangements in place between such offeror and such investor including as to price, allocations, expenses, payment and delivery arrangements. The investor must look to the relevant Authorised Offeror for the provision of such information and the Authorised Offeror will be responsible for such information. The Issuer, the Guarantors and the Dealers will have no responsibility or liability to an investor in respect of such information.</p> <p><i>Issue specific summary:</i></p> <p>[ ]</p>
<b>E.4</b>	<b>Interests of natural and legal persons involved in the issue of the Notes</b>	<p><i>Programme summary:</i></p> <p>The relevant Dealer(s) may be paid fees in relation to any issue of Notes. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.</p> <p><i>Issue specific summary:</i></p> <p>[Save for [ ],] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. [There are no conflicts of interest which are material to the offer of the Notes.]</p>

<b>E.7</b>	<b>Estimated expenses charged to investors</b>	<p><i>Programme summary:</i></p> <p>There are no expenses charged to the investor by the Issuer. Expenses may be charged by an Authorised Offeror; these are beyond the control of the Issuer and not set by the Issuer. They may vary depending on the size and the amount subscribed for and the investor's arrangements with the Authorised Offeror. Neither the Issuer nor any of the Dealers are party to such terms or other arrangements.</p> <p><i>Issue specific summary:</i></p> <p>[The expenses to be charged by those Authorised Offerors known to the Issuer as of the date of the Final Terms are unknown.] [The Issuer estimates that, in connection with the sale of Notes to an investor, the expenses charged by the [Authorised Offeror(s)] will be up to [ ] per cent. of the aggregate principal amount of the Notes sold to such investor.]</p>
------------	--	--

## 2. RISK FACTORS

Before applying for the Notes, you should consider whether the Notes are a suitable investment for you.

The following is a description of the principal risks and uncertainties which may affect the ability of the Issuer and/or the Guarantors to fulfil their respective obligations under the Notes and/or the Guarantee.



## RISK FACTORS

*Each of the Issuer and the Guarantors believes that the following factors may affect its ability to fulfil its obligations under the Notes or the Guarantee, as the case may be. All of these factors are possibilities which may or may not happen and none of the Issuer and any of the Guarantors is in a position to express a view on the exact likelihood of any such contingency happening.*

*Factors which each of the Issuer and the Guarantors believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*Each of the Issuer and the Guarantors believes that the factors described below represent the principal risks involved in investing in the Notes, but the Issuer or the Guarantors may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons, and none of the Issuer and any of the Guarantors represents that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.*

### **Risks relating to the Group and its business**

#### *General market conditions*

The Group's strategy and business model are based on an analysis of and assumptions regarding its operating environment. This includes market evaluations and the identification and assessment of external and internal risk factors. Significant unexpected changes or outcomes, beyond those factored into the Group's strategy and business model, may occur, including the withdrawal of certain countries from the European single currency zone, which could have an adverse impact on the Group's performance or financial position. While the Group plans for such events as far as possible to try to reduce any risk, it is not possible to completely foresee what may occur. The likelihood of such changes and their possible extent is unable to be predicted by the Group; in a worst case scenario, the effect of such changes could impact on the ability of the Issuer and the Guarantors to pay interest, principal or other amounts on or in connection with the Notes.

#### *Poor performance of the Group's investment portfolio*

The performance of the Group's investment portfolio (i.e. the total range of investments made by the Group) is affected by a number of factors. The portfolio may experience poor investment performance (both in terms of the absolute amount or relative to the performance of portfolios managed by competitors or relative to other asset classes) due to the failure of strategies implemented in managing the portfolio assets. The amount of assets under management and performance of the investment portfolio may also be affected by matters beyond the Group's control, including conditions in the domestic and global financial markets and the wider economy, such as the level and volatility of bond prices, interest rates, exchange rates, the break-up of the European single currency zone or other similar event having an impact on the value of the Euro, liquidity in markets, credit spreads, margin requirements imposed by lenders, the availability and cost of loans and other debt and the responses of governments and regulators to these economic and market conditions.

Adverse movements in any of the global conditions described above could result in losses on investments from the Group's own balance sheet in the investment portfolio and reduced performance fees received on third party funds, all of which, individually or taken together, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group. The likelihood of such factors and their possible extent is unable to be predicted by the Group. While the Group plans for such events as far as possible to try to reduce any risk, it is not possible to completely foresee what may occur.

The Group invests only in certain geographies, industries and sectors. If investment in any one geography, industry or sector becomes unduly concentrated, the Group could suffer an increased downturn in its investment performance or increased financial loss as a consequence of adverse market, economic or environmental conditions impacting a particular geography, industry or sector. In addition, the Group sources a significant proportion of its balance sheet funding from a small number of banks.

The Group could become less able to make investments or financial loss in the event of failure of one or more of the relationship banks.

The unlisted equity portfolio of the Issuer and that of third party funds currently managed by the Group are valued based on the market value of such assets and, therefore, market valuations may impact on the amount of assets under management. The Group's equity portfolio's overall sensitivity to market fluctuations is expected to increase due to market fluctuations.

Furthermore, loss of investor confidence in the Group specifically or in the sector in which the Group operates generally, whether because of changes in investor risk appetite, investor liquidity requirements, regulatory and fiscal changes, poor performance of the Group's investment or alternative investment funds generally or for any other reason could have an adverse impact on the Group's performance or financial position.

*The Group may be unable to raise future investment funds from third parties. This could limit the Group's capacity to make new investments, increase its exposure to individual deals and decrease the Group's income from management and advisory fees, performance fees and carried interest*

The Group's ability to raise investment funds from third parties depends on a number of factors, including the appetite of investors, general availability of funds in the market, investment track records and competitor fundraising activity. Certain factors, such as the performance of financial markets or the asset allocation rules or regulations to which such third parties are subject, could inhibit or restrict the ability of certain third parties to provide the Group with investment funds to manage or invest in the asset classes in which the Group invests. In addition, if the Group is unable to increase its assets under management, the level of the Group's return from management and advisory fees, performance fees and carried interest may be reduced. The possible extent of such reduction is unable to be predicted by the Group but in an extreme case could reduce the Group's fund management income substantially over the period of the Notes.

*The removal of a member of the Group as the investment manager for one or more funds would reduce fee income and thus could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group*

Fees earned from managing the Group's funds are expected to comprise an increasing proportion of the Group's revenue. All or substantially all of the funds are managed pursuant to management, advisory or fund partnership agreements that may be terminated by the independent board of directors of the particular fund. The termination of a management agreement could cause a material reduction in assets under management and loss of revenue and adversely affect the Group's reputation, which in turn could affect its business, financial condition, results of operations (including reductions in the value of goodwill) and/or prospects. The Group proactively manages its relationship with investors to try to avoid dissatisfaction with its performance, which in turn reduces the likelihood of a removal. However, as such termination is beyond the Group's control, it is not possible to estimate the likelihood of such events or the extent to which they may occur. In an extreme case, such removals could reduce the Group's fund management income substantially over the period of the Notes; the extent of such reduction would depend on the size of the relevant fund or funds and the fee levels received.

*A breach of an investment mandate by a member of the Group that is the investment manager for one or more funds would reduce fee income and thus could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group*

The investment appointments for the Group for a number of the funds may contain restrictions (whether by the investor, financing counterparties or as a result of regulatory requirements in the relevant jurisdiction) on the investments to be made by those funds. The Group does have internal checks to ensure those restrictions are observed. However, if breaches of these restrictions did occur, this may result in losses suffered by investors, termination of external financing or regulatory censure. This may reduce assets under management and revenue and could also damage the Group's reputation and result in weak future financial performance given that fees earned from managing the Group's funds are expected to comprise an increasing proportion of the Group's revenue. It could also expose the Group to the risk of litigation from investors who have suffered losses which in turn could affect the business, financial condition, results of operations and/or prospects of the Group. The possible costs of such breaches are unable to be predicted by the Group but may be material.

*Exposure to new regulatory regimes or changes to existing regulatory regimes under which the Group operates or a breach of applicable regulation to which the Group is subject could damage the Group's reputation and affect the Group's compliance costs, returns and financial condition*

The Group operates in a number of jurisdictions and its business, particularly the fund management part of the business, is subject predominantly to the regulatory regimes of the United Kingdom and Hong Kong from where core regulated activities are currently undertaken. The Group's strategy anticipates that it will undertake regulated fund management activities in other jurisdictions as it grows and, as a result, will over time become exposed to an increased number of other regulatory regimes. The FCA is the Group's lead regulator. This will remain the case as long as the Group is headquartered in the United Kingdom.

The FCA, and other regulatory authorities, have broad regulatory powers dealing with all aspects of financial services, including the authority to grant, and in specific circumstances to vary or cancel, permissions and to regulate marketing and sales practices, advertising and the maintenance of adequate financial resources. If the Group were to breach any such laws or regulations, including those to which it had not previously been subject, it would be exposed to the risk of investigations, fines, temporary or permanent prohibition from engaging in certain activities, suspensions of personnel or revocation of their licenses and suspension or termination of regulatory permissions to operate. In addition, a material breach of applicable laws and regulations by an investment management subsidiary of the Group could result in a breach of certain external financing facilities provided to the funds managed by that investment management subsidiary.

While the Group currently operates within the relevant regulatory framework, either its expansion to new jurisdictions or changes in that existing framework will increase costs and time spent on this area, and increases the risk of failing to identify applicable requirements or the risk of a breach due to the enhanced volume of requirements.

In addition, there is a risk that changes to any laws, regulations, policies or interpretations thereof in any of the jurisdictions in which the Group operates may adversely affect the Group. In particular, following the recent global and European economic crises, regulators and governments across the world have effected greater regulatory scrutiny over financial markets and financial institutions, imposing a number of measures which could result in the withdrawal of certain countries from the European Monetary Union and may have a negative impact on the Issuer. It is expected that enhanced regulatory scrutiny will continue for the foreseeable future, particularly in relation to compliance with new and existing rules relating to corporate governance, compensation, remuneration, capital and liquidity requirements, and conduct of business. Furthermore, new legislation and regulations implementing such legislation, might have an adverse impact on the Group by, for example, imposing restrictions on the marketing of funds to certain investors. As such legislation or regulation is beyond the Group's control, it is not possible to accurately estimate the likelihood of such or the effect which they may have.

*The level of repayments on the Group's loan portfolio and consequently on the timing of the realisation of rolled up interest as well as delays in realising minority interests could have a negative impact on the Group's investment capacity*

Historically, the Group has often received early repayments from companies that borrow from it on the amounts it has lent ahead of the due repayment of such loans. In addition, mezzanine investments are often made up of "rolled up" interest for part or the totality of their return, which is not repaid during the life of the loan and is repaid in full at the end of the loan period. Owing to the illiquid market for the sale of mezzanine investments, these repayments and realisations usually only occur upon the event of a refinancing of the capital structure or a sale of the portfolio company. The Group cannot predict such events and so cannot predict when, or if, any repayments of the loan principal and realisations of the rolled up interest on its investments will occur. The Group does not control the timing of exits in portfolio companies where it holds a minority equity interest or where it has lent mezzanine debt to such a company and thus the investments will be subject to the risk that the majority stakeholders may defer realisation of the investment where to do so may not be in line with the Group's interests. Delays in equity realisation and repayment of principal and realisation of rolled up interest could have a negative impact on the Issuer's investment capacity.

Mezzanine investments are typically issued as private loans which have no, or a limited, trading market and therefore, such investments are typically not easy to sell as there is not a ready supply of buyers. As a result, the Group's ability to sell its portfolio for liquidity purposes at short notice or to receive a fair price will be limited. This may have an adverse effect on the Group's business, financial condition and prospects. As market liquidity is beyond the Group's control, it is not possible to estimate the likelihood or extent of any failure to sell.

*There can be no assurance that the Group will be able to borrow money in the longer term on commercially acceptable terms or at all. Failure to secure borrowings or other forms of liquidity on commercially acceptable terms may adversely affect the Group's business and returns*

The Group invests from its own balance sheet using cash generated from investing activities, credit facilities and other third party funds. Unexpected changes in the levels of investment activities and/or realisations or in interest rates could adversely impact the Group's ability to take advantage of opportunities to make new investments. A significant shortfall in third party funds would require possible alternative financing structures to enable the Group to continue to invest in accordance with its plans. Such structures could entail higher costs and/or operational complexity and could impact the Group's ability to take advantage of future investment opportunities.

The Group's ability to borrow funds or access debt capital markets in the longer term is dependent on a number of factors including credit market conditions. Difficult credit market conditions may make it difficult for the Group to refinance existing credit facilities as and when they mature or to obtain debt financing for new investments. In addition, the cost and terms of any new or replacement facilities may be less favourable and may include more onerous financial covenants. Failure to secure borrowings on commercially acceptable terms or a default by the Group under its debt agreements may have a material adverse effect upon the Group's financial condition and results. The possible effect of any such failure is unable to be predicted by the Group but may be material; in a worst case scenario, the effect of such failure could impact on the ability of the Issuer and the Guarantors to pay interest, principal or other amounts on or in connection with the Notes.

*The Group is exposed to fluctuations in exchange rates which could adversely affect the Group's returns and financial condition*

The Group reports its accounts in Sterling and pays dividends from Sterling profits. The underlying assets in the Group's portfolio are principally denominated in Euros, and to a lesser degree in U.S. dollars and other currencies. Therefore, changes in the rates of exchange of these currencies or changes to the Euro due to the break-up of the European single currency zone or similar event may have an adverse effect on the value of the Group's investments and any undrawn amount of the Group's debt facilities. The Group seeks to reduce structural currency exposures by matching loans and investment assets denominated in foreign currency with debt borrowed in the same currency. In addition, the Group has used and continues to use derivative financial instruments, such as swaps and other instruments, on a limited basis, as part of its foreign exchange risk management, to hedge a proportion of unrealised income recognised on a fair value basis. Failure by a counterparty to make payments due under such derivative financial investments may reduce the Group's returns. Although the Group has in place measures to mitigate the foreign exchange risk on its assets and liabilities, to the extent that any structural currency exposures are unhedged or unmatched or result in a currency event as a consequence of political risk, such exposure could adversely affect the Issuer's returns and financial condition. As exchange rates are beyond the Group's control, it is not possible to estimate the likelihood or extent of any failure to sell.

*If the Group cannot retain and motivate its senior investment professionals and other key employees, the Group's business could be adversely affected*

The Group's continued success is highly dependent upon the efforts of the Group's investment professionals and other key employees. The Group's future success and growth depends to a substantial degree on the Group's ability to retain and motivate key employees, the market for whom is very competitive. The Group may be unable to retain such key employees or to continue to motivate them.

The Group's investment professionals possess substantial experience and expertise in investing and are responsible for locating and executing the Group's investments. The loss of even a small number of the Group's investment professionals could jeopardise the Group's ability to source, execute and manage

investments as well as affect recoveries on troubled assets, which could have a material adverse effect on the Group's business.

The Group attempts to reward its investment professionals and other key employees in line with market practice. Failure to maintain an appropriate and attractive reward system may result in the loss of some of the Group's key staff, with a possible consequential downturn in performance. On the other hand, successful efforts to retain investment professionals or other key staff may result in significant additional expenses, which could adversely affect the Group's returns. In addition, the Group may deem it necessary to maintain reward levels to retain key employees even during periods when it generates lower returns than in previous periods.

*The Group and some of the Group's portfolio companies are exposed to fluctuations in interest rates which could adversely affect the Group's returns*

The Group has a mixture of fixed and floating rate assets, which are funded with a mixture of equity and borrowings. The Group seeks to reduce interest rate exposure by matching the type, maturity and currency of its borrowings to those of a group of assets with a similar anticipated holding period. A failure to match borrowings by type or maturity or the failure or inappropriate use of derivative financial instruments for the purpose of hedging could have an adverse impact on the Group's returns and financial condition.

In addition, many of the Group's portfolio companies rely on borrowing money to finance their business operations and increase the rate of return on their equity. Investments in entities with higher rates of borrowings are inherently more sensitive to interest rate movements. Therefore, a significant increase in interest rates could adversely affect the returns and financial condition of the Group's portfolio companies and may even lead some of the Group's portfolio companies to breach financial or operating requirements in their credit agreements or default on their debt. As interest rates are beyond the Group's control, it is not possible to estimate the effect of any changes.

*Operational risks may disrupt the Group's businesses, result in losses or damage Issuer's reputation*

The Group relies heavily on its financial, accounting and other data processing systems. Although the Group has in place business processes and procedures covering information security, change management, business continuity and disaster recovery, aimed at ensuring that its systems can be rebuilt in the event any of its premises suffer a disaster, if any of these procedures or systems do not operate properly or are disabled, the Group could suffer financial loss, disruption of businesses and damage to its reputation. If there have been, or are, failures in the Issuer's accounting and other data processing systems, the Group may be unable to report its or its funds' financial information on a timely basis. This could result in a loss of investor confidence and thereby adversely affect the performance of the Group.

In addition, the Group maintains a system of internal controls designed to detect, amongst other things, fraud by the Group's employees, agents and counterparties. A failure of these internal controls to detect any such fraud could result in the imposition of fines and/or other criminal or regulatory sanctions and could also damage the Group's reputation.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Group will be unable to comply with its obligations as a company with securities admitted to the Official List or as a supervised firm regulated by the FCA.

*Changes in tax laws or in the policy of tax administrations, either in the United Kingdom or in other jurisdictions, could adversely affect the Issuer's future after-tax returns*

A change in relevant UK legislation or in Her Majesty's Revenue & Customs policy or practice could adversely affect the Group's returns or financial condition. As such legislation and practice is beyond the Group's control, it is not possible to estimate the likelihood or effect of any such change.

Similar risks may exist in certain other jurisdictions in which the Group operates and in relation to tax structures which have been put in place, some of which make use of off-shore vehicles. This includes structures designed to ensure that the Group does not create a permanent establishment in some jurisdictions or that certain Group or portfolio companies are tax resident in a particular jurisdiction only, as a necessary part of the overall tax structure.

The creation of a permanent establishment for the Issuer in some jurisdictions or certain Group or portfolio companies being considered tax resident in more than one particular jurisdiction could result in the Issuer or those Group or portfolio companies being subject to withholding or other taxes on income received from or gains arising on the sale of investments. Likewise, changes in relevant taxation legislation or applicable tax treaties could affect the expected tax position of the Issuer or of certain Group or portfolio companies, and could require less favourable tax structures to be put in place.

*The Group may be subject to withholding for non-compliance with FATCA*

The Issuer or a Guarantor may be subject to a withholding tax of 30 per cent. on certain payments to it if it, and in certain cases, an affiliate, does not comply with the applicable information reporting and withholding requirements in connection with Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**"), an intergovernmental agreement entered into in furtherance of such Sections of the Code, any related non-U.S. legislation implemented in furtherance of such an intergovernmental agreement or an agreement with a taxing authority pursuant to such Sections of the Code (collectively, "**FATCA**"). Any such withholding may materially impair the Issuer's and/or the Guarantors' ability to make payments on the Notes and/or under the Guarantee, as applicable.

### **Risks relating to the Group structure**

*The holding company structure means that the Issuer's ability to pay interest is partially dependent on distributions received from certain of its subsidiaries*

Since the Issuer is a holding company, its operating results and financial condition are, in part, dependent on the performance of members of the Group. Each of the Original Guarantors is a subsidiary of, or controlled by, the Issuer and owns assets in its own right. Other subsidiaries will make distributions to the Issuer by way of dividends. From time to time, the ability of those subsidiaries to make such distributions may be restricted as a result of several factors, including restrictive covenants in loan agreements, foreign exchange limitations, the requirements of applicable law and regulatory, fiscal or other restrictions. This could impact the Issuer's ability to make payments due under the Notes.

*Participation by the Issuer in a distribution of a subsidiary's assets will generally be subject to prior claims of creditors*

The Issuer holds certain of its assets in its subsidiaries. The Issuer's rights to participate in a distribution of its subsidiaries' assets upon their liquidation, re-organisation or insolvency is generally subject to prior claims of the subsidiaries' creditors, including secured creditors such as its lending banks, any trade creditors and preferred shareholders. Noteholders will rank alongside other senior creditors in the event of the liquidation, re-organisation or insolvency of an Original Guarantor but, in the event of the liquidation, re-organisation or insolvency of any other subsidiary, the Issuer will rank as a shareholder and will only receive any assets once the creditors of the subsidiary with prior claims have been paid out in full.

### **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

#### ***Risks related to the structure of a particular issue of Notes***

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain of those features:

*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes 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.

*If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates*

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

#### ***Risks related to Notes generally***

Set out below is a description of certain risks relating to the Notes generally.

#### ***The Notes are not protected by the Financial Services Compensation Scheme***

Unlike a bank deposit, the Notes are not protected by the Financial Services Compensation Scheme (the "FSCS"). As a result, neither the FSCS nor anyone else will pay compensation upon the failure of the Issuer, any of the Guarantors or the Group. If the Issuer or any of the Guarantors goes out of business or become insolvent, investors may lose all or part of their investment in the Notes.

*The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders*

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

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of any of the provisions of the Trust Deed that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error, (ii) certain other modifications, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders, and (iii) in certain circumstances, the substitution of certain other entities in place of the Issuer, any Guarantor or any previous substituted company as principal debtor or guarantor, as the case may be, under the Trust Deed, the Notes and the Coupons.

### *Reliance on Euroclear and Clearstream, Luxembourg*

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depository or common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments to the common depository or common safekeeper, as applicable, for the relevant clearing systems for distribution to the relevant account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

*The Notes may be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could significantly adversely affect their return on the Notes.*

### *Withholding under the EU Savings Directive*

Under EC Council Directive 2003/48/EC (the "**Savings Directive**") on the taxation of savings income each Member State of the European Union (an "**EU Member State**") is required to provide to the tax authorities of another EU Member State details of payments of interest or other similar income payments ("**Savings Income**") made by a person within its jurisdiction to or collected by such a person for an individual or to certain non-corporate entities, resident in that other EU Member State (interest payments on the Notes will for these purposes be Savings Income). However, for a transitional period, Austria and Luxembourg are instead applying a withholding system in relation to such payments, deducting tax of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced that it will cease to withhold from 1 January 2015 and instead provide the required information.

A number of non-EU countries and certain dependent or associated territories of certain EU Member States have adopted and implemented similar measures (either provision of information or transitional withholding) in relation to payments of Savings Income made by a person within its jurisdiction to an individual, or to certain non-corporate entities, resident in an EU Member State.

In addition, EU Member States have entered into reciprocal arrangements with certain of those non-EU countries and dependent or associated territories of certain EU Member States in relation to payments of Savings Income made by a person in an EU Member State to an individual, or to certain non-corporate entities, resident in certain dependent or associated territories or non-EU countries.

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through an EU Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer, any Guarantor nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in an EU Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.



*Payments in respect of the Notes may be subject to FATCA withholding*

Whilst the Notes are in global form and held within the clearing systems, FATCA may affect the amount of payments made to custodians or intermediaries in the payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's and the Guarantors' obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the clearing systems (as bearer of the Notes) and neither the Issuer nor the Guarantors have a responsibility to make any payments of additional amounts thereafter transmitted through the hands of the clearing systems and custodians or intermediaries. See Section 10 (*Taxation - FATCA*) below.

*Holding CREST Depository Interests*

Interests in the Notes may be held through Euroclear UK & Ireland Limited (formerly CREST Co Limited) ("**CREST**") through the issuance of dematerialised depository interests, held, settled and transferred through CREST ("**CDIs**"), representing the interests in the relevant Notes underlying the CDIs (the "**Underlying Notes**"). Holders of CDIs ("**CDI Holders**") will hold or have an interest in a separate legal instrument and not be the legal owners of the Underlying Notes. The rights of CDI Holders to the Underlying Notes are represented by the relevant entitlements against CREST Depository Limited (the "**CREST Depository**") which through CREST International Nominees Limited (the "**CREST Nominee**") holds interests in the Underlying Notes. Accordingly, rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians. The enforcement of rights under the Underlying Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Underlying Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer, including the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the "**CREST Deed Poll**"). Potential investors should note that the provisions of the CREST Deed Poll, the CREST International Manual dated 14 April 2008, as amended, modified, varied or supplemented from time to time (the "**CREST Manual**") and the CREST Rules contained in the CREST Manual applicable to the CREST International Settlement Links Service (the "**CREST Rules**") contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the rights of and returns received by CDI Holders may differ from those of holders of Notes which are not represented by CDIs.

In addition, CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service (the "**CREST International Settlement Links Service**"). These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Notes through the CREST International Settlement Links Service.

Potential investors should note that none of the Issuer, the Guarantors, the Dealers, the Trustee and any Paying Agents will have any responsibility for the performance by any intermediaries or their

respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Potential investors should note that the CDIs are the result of the CREST settlement mechanics and are not the subject of this Base Prospectus.

For further information on the issue and holding of CDIs see Section 11 (*Clearing and Settlement*).

*The value of the Notes could be adversely affected by a change in English law or administrative practice*

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

*Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a Noteholder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

*Proposals to reform LIBOR and other benchmark indices*

The London Inter-Bank Offered Rate ("**LIBOR**") is currently being reformed, including (i) the replacement of the British Bankers' Association as administrator with NYSE Euronext Rate Administration Limited ("**Euronext**"), effective in early 2014, (ii) a reduction in the number of currencies and tenors for which LIBOR is calculated, and (iii) changes in the methods by which LIBOR rates are determined, for example, by compelling more banks to provide LIBOR submissions and basing these submissions on actual transaction data. Any of these changes or any other changes to LIBOR could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be. The administrator of LIBOR may also take any actions in respect of LIBOR, including altering the calculation or dissemination of LIBOR, without regard to the interests of any investor in LIBOR-based Notes, and any of these actions could have an adverse effect on the value of such Notes. Some of the recommended changes with respect to LIBOR include the introduction of a statutory regulation of LIBOR, changes to the method of compilation of lending rates, new regulatory oversight and enforcement mechanisms for rate-setting and the corroboration of LIBOR, as far as possible to actual transaction data. Certain LIBOR rates may also be discontinued and/or suspended as a result of the reforms. It is not possible to predict the effect of any changes to LIBOR, any changes in the methods pursuant to which LIBOR rates are determined or any other reforms to LIBOR that may be enacted, each of which may result in sudden or prolonged increases or decreases or may cause LIBOR to be more volatile than it has been in the past, each of which may adversely affect the trading market for, and value of, LIBOR-based Notes.

In addition, the Euro Interbank Offered Rate ("**EURIBOR**") and other so-called "benchmark" rates have also been the subject of increased scrutiny and proposals for reform by a number of international authorities and other bodies. It is not possible to predict whether any of these proposals will be implemented. Further, uncertainty as to the extent and manner in which recommendations and proposed reforms will be adopted and the timing of such changes may adversely affect the current trading market for Notes based on LIBOR, EURIBOR or another benchmark rate, and the value of such Notes.

### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk. As these market risks are beyond the Group's control, the Group is unable to estimate their likelihood or potential effect.

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid or may become illiquid at a later stage. Therefore, investors may not be able to sell their Notes 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 Notes 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 Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In the case of Notes issued under the Programme which are tradable on the London Stock Exchange's electronic order book for retail bonds (ORB), a registered market-maker on the ORB will be appointed in respect of the relevant Notes from the date of admission of the Notes to trading. Market-making means that a person will quote prices for buying and selling securities during trading hours. In such circumstances, there would be no guarantee that any such market-maker would remain as a market-maker for the life of the relevant Notes. If no replacement market-maker were appointed in such circumstances, this could have an adverse impact on an investor's ability to sell its Notes.

*If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer or the Guarantors to make payments in respect of the Notes and/or the Guarantee. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*The value of Fixed Rate Notes may be adversely affected by movements in market interest rates*

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

*Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes*

The Issuer has been rated BBB- by each of Fitch Ratings Limited ("**Fitch**") and Standard and Poor's Credit Market Services Europe Limited ("**S&P**"). As defined by Fitch, a "**BBB-**" rating means that the expectation of default risk is currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this

capacity.<sup>1</sup> As defined by S&P, a "**BBB-**" rating means that the obligations of the Issuer exhibit adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.<sup>2</sup> In each case, the "-" sign shows the relative standing within this rating category. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Any such revision, suspension or withdrawal could adversely affect the market value of any Notes. For the avoidance of doubt, the Issuer does not commit to ensure that the specific rating of any Notes will be upheld nor that the credit rating agencies rating any Notes will remain the same.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the Issuer's ratings and the credit rating agencies which have assigned such ratings is set out under the heading "*Important Notices*" at the beginning of this Base Prospectus. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms and may not necessarily be the same as the rating assigned to the Issuer.

#### *Yield*

Potential investors should note that any indication of yield (i.e. income return on the Notes) stated in the Final Terms of the Notes applies only to investments made at the issue price of the relevant Notes, and not to investments made above or below the issue price of those Notes. This is because the stated yield is calculated as a "current yield", which is determined as at the issue date of the Notes by reference to the following formula:

$$\text{current yield} = \frac{\text{annual interest rate}}{\text{Issue Price}}$$

If an investor purchases Notes at a price above or below the issue price of those Notes, the yield on that investment will be different from any indication of the yield set out in the relevant Final Terms. No indication of yield will be included in the relevant Final Terms in respect of any Floating Rate Notes.

---

<sup>1</sup> Source: Fitch Ratings – Definitions of Ratings and Other Forms of Opinion – July 2013.

<sup>2</sup> Source: Standard and Poor's Ratings Definitions, <https://www.globalcreditportal.com/ratingsdirect>.

### **3. INFORMATION ABOUT THE PROGRAMME**

The following is an overview of the Programme and the key terms of the Notes. The full text of Terms and Conditions of the Notes are contained in Appendix B. It is important that you read the entirety of this Base Prospectus before you invest in any Notes. It is recommended that you consult your financial adviser or any other professional adviser before you decide to purchase any Notes.

## INFORMATION ABOUT THE PROGRAMME

### What is the Programme?

The Programme is a debt issuance programme under which Intermediate Capital Group plc as the issuer may, from time to time, issue debt instruments which are referred to in this Base Prospectus as Notes. Notes are also commonly referred to as bonds.

The Programme is constituted by a set of master documents containing standard terms and conditions and other contractual provisions that can be used by the Issuer to undertake any number of issues of Notes from time to time in the future, subject to a maximum limit of £500,000,000 (or its equivalent in other currencies) in principal amount of Notes outstanding at any time under the Programme.

The standard terms and conditions that can be used by the Issuer to undertake each issue of Notes are contained in a set of provisions referred to as the Terms and Conditions, as set out in this Base Prospectus in Appendix B (*Terms and Conditions of the Notes*).

The Programme was established on 28 February 2014.

### How are Notes issued under the Programme?

Whenever the Issuer decides to issue Notes, it undertakes what is commonly referred to as a "drawdown". On a drawdown, documents which are supplementary to the Programme master documents are produced, indicating which provisions in the master documents are relevant to that particular drawdown and setting out the terms of the Notes to be issued under the drawdown. The key supplementary documents of which you will need to be aware when deciding whether to invest in Notes issued as part of a drawdown over the 12 month period from the date of this Base Prospectus are: (a) any supplement to this Base Prospectus published after the date of this Base Prospectus and (b) the applicable Final Terms for such Notes.

In the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group, and the rights attaching to the Notes, the Issuer will prepare and publish a supplement to this Base Prospectus or prepare and publish a new base prospectus, in each case, for use in connection with such Notes and any subsequent issue of Notes.

In the case of a programme, the Terms and Conditions of the Notes cater for all the permutations of provisions that the issuer envisages being likely to be applicable to issues under the programme, with the final terms document for each issue (referred to herein as the Final Terms) setting out the specific commercial terms applicable to the issue and the extent to which the provisions in the Terms and Conditions of the Notes are applicable. Each Final Terms is intended to be read alongside the Terms and Conditions of the Notes, and the two together provide

### Refer to

Terms and Conditions of the Notes beginning on page 119

Terms and Conditions of the Notes beginning on page 119 and the Forms of Final Terms beginning on page 88

the specific terms of the Notes relevant to a specific drawdown.

**What types of Notes may be issued under the Programme?**

Three types of Notes may be issued under the Programme: Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, or any combination of these.

Fixed Rate Notes are Notes where the interest rate payable by the Issuer on the Notes is determined prior to issue, and remains fixed throughout the life of the Notes.

Floating Rate Notes are Notes where the interest rate is calculated by reference to a fluctuating benchmark rate. Under the Programme, that benchmark rate will be either an ISDA defined rate, the Euro Interbank Offered Rate (EURIBOR) or the London Interbank Offered Rate (LIBOR). The floating interest rate is recalculated on or around the start of each new interest period and applies for the length of that interest period. Therefore, Floating Rate Notes in effect have a succession of fixed interest rates. Although the floating interest rate will be based on the benchmark rate, it will typically also include a fixed percentage margin which is added to the benchmark rate.

Zero Coupon Notes are Notes which do not carry any interest but are generally issued at a deep discount to their principal amount. Zero Coupon Notes are repaid at their full amount. Therefore, if you purchase Zero Coupon Notes on their issue date and hold them to maturity, your return will be the difference between the issue price and the principal amount of the Zero Coupon Notes paid on maturity. Alternatively, you might realise a return on Zero Coupon Notes through a sale prior to their maturity.

The specific details of each Note issued will be specified in the applicable Final Terms.

**How will the price of the Notes be determined?**

Notes may be issued at their principal amount or at a discount or premium to their principal amount. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer or Dealers at the time of "pricing" of the Notes in accordance with prevailing market conditions. The issue price for each Tranche will be specified in the applicable Final Terms.

N/A

**What is the yield on Fixed Rate Notes?**

The yield in respect of each issue of Fixed Rate Notes will be calculated on the basis of the Issue Price and specified in the applicable Final Terms. Yield is not an indication of future price. The Final Terms in respect of any Floating Rate Notes will not include any indication of yield.

N/A

**Will the Notes issued under the Programme have a credit rating?**


The Programme is not currently rated by any credit rating agency; however, Series of Notes issued under the Programme may be specifically rated. Any such ratings will not necessarily be the same as the rating assigned to the Issuer or to any other Series of Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

N/A

Terms and Conditions of the Notes beginning on page 119 and the Forms of Final Terms beginning on page 88

<b>Will I be able to trade the Notes issued under the Programme?</b>	<p>Application has been made to admit Notes issued during the period of 12 months from the date of this Base Prospectus to the Official List of the UK Listing Authority and to admit them to trading on London Stock Exchange's regulated market. Notes may also be admitted to trading through the electronic order book for retail bonds (commonly known as the ORB) on the London Stock Exchange's regulated market.</p> <p>Once listed, the Notes may be purchased or sold through a broker. The market price of the Notes may be higher or lower than their issue price depending on, among other things, the level of supply and demand for the Notes, movements in interest rates and the financial performance of the Issuer and the Group. (See "<i>Risk Factors - Risks related to the market generally - An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes</i>").</p>	Section 15 ( <i>Additional Information – paragraph 1</i> ) on page 108
<b>Who is issuing the Notes?</b>	The Notes will be issued by Intermediate Capital Group plc.	Terms and Conditions of the Notes beginning on page 119
<b>Who is guaranteeing the Notes?</b>	<p>Each of Intermediate Capital Investments Limited, Intermediate Capital Managers Limited and Intermediate Investments LLP (referred to in the Terms and Conditions of the Notes as the Original Guarantors) will guarantee the due payment of all sums expressed to be payable by the Issuer under the Notes.</p> <p>In addition, pursuant to the Terms and Conditions of the Notes, if any subsidiary of the Issuer provides a guarantee in respect of certain facility agreements of the Group, they will become a Guarantor in respect of any Notes issued under the Programme.</p> <p>In the same way, pursuant to the Terms and Conditions of the Notes, if any Guarantor ceases to provide a guarantee in respect of such facility agreements, such Guarantor will in certain circumstances cease to be a Guarantor in respect of any Notes issued under the Programme.</p> <p>The Original Guarantors, plus any subsidiary which becomes a guarantor as described above (but excluding any subsidiary which ceases to act as a guarantor as described above), are referred to herein as the Guarantors.</p>	Terms and Conditions of the Notes beginning on page 119
<b>What is the relationship between the Issuer and the Group?</b>	The Issuer is the ultimate parent company of the Group and the Group's business is conducted through the Issuer and its subsidiary undertakings. Its own performance is, therefore, partially dependent on the performance of the Group (see Section 4 ( <i>Description of Intermediate Capital Group plc</i> )).	Section 4 ( <i>Description of Intermediate Capital Group plc</i> ) beginning on page 38
<b>What will Noteholders receive in a winding-up of the Issuer and the Group?</b>	If the Issuer or a Guarantor becomes insolvent and is unable to pay its debts, an administrator or liquidator would be expected to make distributions to its creditors in accordance with a statutory order of priority. An investor's claim as a Noteholder would be expected to rank after the claims of any holders of the Issuer's secured debt or other creditors that are given preferential treatment by applicable laws of mandatory application relating to creditors, but ahead of any shareholder of the Issuer or Guarantor, as applicable. A simplified diagram illustrating the expected ranking of the Notes compared to other creditors of the Issuer and the Guarantors, as the case may be, is set out below:	N/A



	Type of obligation	Examples of obligations/securities
	Proceeds of fixed charge assets	E.g. a fixed charge over shares and assets of one subsidiary of the Issuer as security for the obligations of that subsidiary in favour of the secured noteholders
	Expenses of the liquidation/administration	Currently none
	Preferential creditors	Including remuneration due to employees
	Proceeds of floating charge assets	Currently none other than a floating charge over assets of one subsidiary of the Issuer as security in favour of the secured noteholders
	Unsecured obligations, including guarantees in respect of them	<p><b>The Issuer's Sterling denominated 6.25 per cent. notes due 2020, Sterling denominated 7.00 per cent. notes due 2018 and any Notes of the Issuer to be issued under the Programme and the Guarantee of the Guarantors.</b></p> <p>Also includes other unsecured obligations (including guarantee obligations), such as the Group's various banking facility agreements.</p>
Shareholders	Ordinary shareholders	

**However, as well as being aware of the ranking of the Notes issued under the Programme compared to the other categories of creditor, and the shareholders, of the Issuer, investors should note that the Issuer holds a substantial amount of its assets in its subsidiaries. See Section 4 (*Description of Intermediate Capital Group plc*) for details of the Issuer's principal subsidiaries.**

As a shareholder of a subsidiary, the Issuer will have a right to participate in a distribution of such subsidiary's assets in the event of any liquidation, re-organisation (other than a solvent internal Group reorganisation) or insolvency of such subsidiary. However, the Issuer's right to participate is generally subject to any claims made against that subsidiary, including creditors such as any lending bank and trade creditors. The obligations of the Issuer under the Notes are therefore structurally subordinated to any liabilities of the Issuer's subsidiaries. Structural subordination in this context means that, in the event of a winding up or insolvency of a subsidiary of the Issuer, any creditors of that subsidiary (which may include the Noteholders if that subsidiary is a Guarantor) would have preferential claims to the assets of that subsidiary ahead of any creditors of the Issuer (i.e. including Noteholders).

<b>Are the Notes secured?</b>	No, as of the date the Notes are issued, the obligations of the Issuer to pay interest and principal on the Notes will not be secured either by any of the Issuer's or any other member of the Group's assets or otherwise.	N/A
<b>Who will represent the interests of the Noteholders?</b>	The Trustee is appointed to act on behalf of the Noteholders as an intermediary between Noteholders and the Issuer throughout the life of the Notes. The main obligations of the Issuer and the Guarantors (such as the obligation to pay and observe the various covenants in the Terms and Conditions of the Notes) are owed to the Trustee. These obligations are enforceable by the Trustee only and not the Noteholders themselves. Although the entity chosen to act as Trustee is chosen and appointed by the Issuer, the Trustee's role is to protect the interests of the Noteholders as a class.	Terms and Conditions of the Notes beginning on page 119
<b>Do the Notes have voting rights?</b>	<p>Noteholders have certain rights to vote at meetings of the Noteholders, but are not entitled to vote at any meeting of shareholders of the Issuer, the Guarantors or any other member of the Group.</p> <p>The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit majorities of certain sizes to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a different manner than the majority did.</p>	Terms and Conditions of the Notes ( <i>Condition 10 - Meetings of Noteholders, Modification, Waiver and Substitution</i> ) beginning on page 142
<b>Do the Notes contain any covenants?</b>	<p>Yes. The Notes contain a negative pledge covenant with respect to the Issuer, each Guarantor and any other Material Subsidiary of the Issuer. In general terms, a negative pledge provision restricts an issuer of unsecured bonds from granting security over assets for other comparable bond financings. Its purpose is to provide price protection for the bonds containing the negative pledge: if the issuer issued similar bonds that had the benefit of security, investors might be more likely to purchase the secured bonds, which may adversely affect the price of the unsecured bonds.</p> <p>Under the negative pledge provision in the Terms and Conditions of the Notes, therefore, none of the Issuer, any Guarantor and any other Material Subsidiary of the Issuer may create, assume or permit to subsist any security upon the whole or any part of their undertaking, assets or revenues to secure any bond type debt without securing the Notes and the obligations of the Guarantors under the Guarantee equally, subject to certain exceptions.</p>	Terms and Conditions of the Notes ( <i>Condition 3 - Negative Pledge</i> ) beginning on page 122
<b>Can the Terms and Conditions of the Notes be amended?</b>	The Terms and Conditions of the Notes provide that the Trustee may, without the consent of the Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of any of the provisions of the Trust Deed that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error, (ii) certain other modifications, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders, and (iii) in certain circumstances, the substitution of certain other entities in place of the Issuer, any Guarantor or any previous substituted company as principal debtor or guarantor, as the case may be, under the Trust Deed, the Notes and the Coupons.	Terms and Conditions of the Notes ( <i>Condition 10 - Meetings of Noteholders, Modification, Waiver and Substitution</i> ) beginning on page 142

Noteholders may also sanction a modification of the Terms and Conditions of the Notes by passing an Extraordinary Resolution.

**What will the proceeds be used for?**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds this will be stated in the relevant Final Terms.

Section 13 (*Use of Proceeds*) on pages 86-87

**What if I have further questions?**

If you are unclear in relation to any matter, or uncertain if any Notes offered under the Programme are a suitable investment, you should seek professional advice from your broker, solicitor, accountant or other independent financial adviser before deciding whether or not to invest.

N/A

#### **4. DESCRIPTION OF INTERMEDIATE CAPITAL GROUP PLC**

This section sets out information about Intermediate Capital Group plc and its subsidiary companies.

## DESCRIPTION OF INTERMEDIATE CAPITAL GROUP PLC

### Description of Intermediate Capital Group plc

The Issuer was incorporated on 23 March 1988 under the laws of England and Wales as a private limited company (registration number 02234775).

In 1994, the Issuer re-registered as a public limited company and had its ordinary shares (the "Ordinary Shares") admitted to listing on the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange and changed its name to Intermediate Capital Group plc. The principal legislation under which the Issuer operates is the Companies Act 2006. It is also regulated and authorised by the FCA. The Issuer's registered office and principal place of business is at Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom and its telephone number is +44 (0)20 3201 7700.

As at 26 February 2014 (being the latest practicable date before the publication of this Base Prospectus), the issued and fully paid up share capital of the Issuer amounted to £80,448,554 divided into 402,242,770 Ordinary Shares of £0.20 each.

### Overview

The Issuer (together with its consolidated subsidiaries, the "Group") structures and provides mezzanine finance (i.e. finance that ranks below senior loans and above ordinary shareholders' equity), leveraged credit (i.e. senior loans) and equity. The Group had approximately €12 billion, as at 30 September 2013, under management in proprietary capital and third party funds. The Issuer is a leading fund manager of, and independent investor in, mezzanine finance and leveraged buyout debt with an experienced investment team operating from its head office in London and offices in Amsterdam, Frankfurt, Hong Kong, Madrid, New York, Paris, Singapore, Stockholm, Sydney and Tokyo. The Issuer's income is generated from fund management fees, interest and dividend income, capital gains arising from the sale of shares and warrants acquired in conjunction with financings and fees from arranging and underwriting mezzanine debt. An Executive Committee comprising the three managing directors of the Issuer has general responsibility for its resources, strategy, financial and operational control and managing the business worldwide.

The Group's business is organised into two business segments: (i) Fund Management Company and (ii) Investment Company.

### Fund Management Company

The Group's fund management segment sources and manages investments on behalf of the Issuer's investment segment and other third party funds. The funds under management are categorised into three main business areas: (i) mezzanine and minority equity funds; (ii) credit funds; and (iii) real estate funds. Mezzanine and minority equity funds invest in mid-market companies with strong positions in their local markets. Credit funds primarily invest through the Issuer's third party funds in senior loans and high yield bonds of European companies. Real estate funds invest in the Group's third party funds in loans to property businesses with proven track records. The Issuer believes that each of these business areas is underpinned by a common credit culture and process, with the Issuer maintaining a strong local network of investment professionals with local insight, knowledge and relationships to provide it with an operational platform.

The total assets under management as at 30 September 2013 and the most recent two financial year ends are set out in the table below:

Business Segment	Assets under management (€m)		
	30 September 2013	31 March 2013	31 March 2012
Mezzanine & Minority Equity .....	3,937	4,395	3,460
Credit Funds and segregated mandates .....	4,794	4,972	4,965
Real Estate Funds .....	1,103	533	254
Investment Company .....	2,265	3,030	2,729
<b>Total assets under management.....</b>	<b>12,099</b>	<b>12,930</b>	<b>11,408</b>

### *Mezzanine and Minority Equity*

The Group has been managing third party mezzanine funds since 1998. These funds invest alongside the Issuer on a co-investment basis, sharing the benefits of the Issuer's local knowledge, sourcing expertise, investment discipline and on-going asset management. The Issuer provides these asset management services for institutional investors in over 25 countries, including sovereign wealth funds, insurance companies, charitable foundations, funds of funds, and government and corporate pension funds.

As at 30 September 2013, the Issuer managed seven mezzanine funds.

### *Credit Funds*

In 1999, the Group built upon the skills it had acquired through its mezzanine lending to raise third party money to invest in sub-investment grade funds containing a mixture of European senior debt, mezzanine debt and high yield bonds issued by companies in leveraged buyout transactions. The Issuer closed its first Collateralised Debt Obligation ("**CDO**") fund in the same year, the first of its kind to be based on European loan, bond and mezzanine assets.

The credit funds tend to invest in liquid assets, such as senior and subordinated loans and high yield bonds. As at 30 September 2013, the Issuer managed 20 credit funds.

### *Real Estate Funds*

In 2010, the Issuer acquired a 51 per cent. stake in Longbow Real Estate Capital LLP ("**ICG Longbow**") which represented the entry of the Group into the UK real estate debt market. ICG Longbow seeks to capitalise on market opportunities in this market by focusing on providing mezzanine finance to leading UK property companies with a proven track record; providing senior finance to support acquisition of under-managed properties, and opportunistically acquiring high quality loans from the secondary market at discounted prices. ICG Longbow leverages its extensive network of relationships with UK property companies, advisors and lenders to seek out investment opportunities.

As at 30 September 2013, the Issuer managed three real estate funds.

### *Investment Company*

The Group's Investment Company segment is the investment business of the Group. The Issuer's investment portfolio has grown from a value of £144 million at the time of its listing in 1994 to £2.03 billion as at 30 September 2013.

The Group's portfolio as at 30 September 2013 consisted of investments in over 88 different companies diversified by sector, size and geography, being spread across 31 different industries and 17 countries. As at 30 September 2013, the largest industrial sector, financial services, represented 18.1 per cent. of the total portfolio of the Group. Further details of the portfolio are included below under "*Investment Portfolio*".

The Group currently funds these activities from its own resources of shareholder funds, bank debt, on-balance sheet securitisation and private placement debt.

### **Financial Highlights**

The Group's income is generated from managing funds for third parties, interest and dividend income, capital gains arising from the sale of shares and warrants acquired in conjunction with mezzanine financings and fees from arranging and underwriting mezzanine assets.

The Issuer's profit before tax for the years ending 31 March 2013 and 31 March 2012 as well as the six months ending 30 September 2013 was as follows:

Business Segment	Profit before tax (£m)		
	For the 6 months ended 30 September 2013	For the year ended 31 March 2013	For the year ended 31 March 2012
Fund Management Company .....	16.7	40.4	37.7
Investment Company .....	145.4*	107.9*	161.1*
Total Group.....	162.1	148.3	198.8

\* Excludes fair value movements of derivatives (all periods) and a one off £45 million release of previously accrued costs in relation to the termination of legacy remuneration schemes (year ended March 2012).

## Group Structure

The Issuer acts as the holding company for its subsidiary undertakings, the principal activities of which are the provision of mezzanine capital and equity to companies in Europe, the Asia Pacific region and the United States, along with the management of third party funds. As at the date of this Base Prospectus, the Issuer had the following significant subsidiary undertakings all of which are, save as described below, private limited companies and wholly owned:

Name	Country of incorporation	Proportion of Issuer's ownership interest	Principal activity
Intermediate Capital Investments Ltd .....	United Kingdom	100 per cent.	Investment Company
Intermediate Capital Managers Ltd .....	United Kingdom	100 per cent.	Advisory Company
ICG Alternative Investment Limited.....	United Kingdom	100 per cent.	Advisory Company
Intermediate Finance II PLC.....	United Kingdom	100 per cent.	Provider of mezzanine finance
JOG Partners Ltd.....	United Kingdom	100 per cent.	Investment Company
Intermediate Investments LLP.....	United Kingdom	100 per cent.	Holding Company for loans and investments
Intermediate Investments Jersey Ltd. ....	Jersey	100 per cent.	Investment Company
Intermediate Capital Asia Pacific Ltd.....	Hong Kong	100 per cent.	Advisory Company
Intermediate Capital Group SAS .....	France	100 per cent.	Advisory Company
Intermediate Capital Group Espana SL .....	Spain	100 per cent.	Advisory Company
Intermediate Capital Nordic AB.....	Sweden	100 per cent.	Advisory Company
Intermediate Capital Group Beratungsgesellschaft.....	Germany	100 per cent.	Advisory Company
Intermediate Capital Group Benelux B.V.....	Amsterdam	100 per cent.	Advisory Company
Intermediate Capital Australia Pty Ltd. ....	Australia	100 per cent.	Advisory Company
Intermediate Capital Group Inc. ....	United States of America	100 per cent.	Advisory Company
Intermediate Capital Group (Singapore) Pte. Limited.....	Singapore	100 per cent.	Advisory Company
ICG Japan KK .....	Japan	100 per cent.	Advisory Company
ICG FMC Ltd.....	United Kingdom	100 per cent.	Holding Company for funds management
Longbow Real Estate Capital LLP .....	United Kingdom	51 per cent.	Advisory Company
ICG Europe Fund V Jersey.....	Jersey	20 per cent.	Investment Company
ICG EF V Jersey Ltd.....	Jersey	100 per cent.	General Partner

## Strategy

The Group's strategic priorities are to:

- grow the Fund Management Company;
- invest selectively; and
- manage its portfolio to maximise value.

### *Grow the Fund Management Company*

The Group aims to increase its assets under management by building on its credit strategy and launching new products for institutional investors through its well-established distribution team, which it intends to expand further.

### *Mezzanine and Equity Funds*

In respect of the Group's buyout mezzanine business, the Issuer intends to continue to build on its positions in European and Asia Pacific mezzanine and to expand its presence in the United States.

### *Credit Funds*

The Group seeks to (i) increase its assets under management in respect of senior loans and high yield bonds through a growing range of investment products and (ii) exploit new investment opportunities arising as a result of the liquidity shortage in Europe, using the Issuer's distribution team to market these opportunities to investors. In addition, the Group will continue to review investment opportunities with a view to expanding its franchise geographically and through selective acquisitions.

### *ICG Longbow*

In its commercial real estate mezzanine business, the Issuer believes that there are opportunities to grow its ICG Longbow franchise.

### *Expanding Asset Classes*

The Issuer believes that it has achieved success in its mezzanine and European leveraged loan and high yield bond businesses by combining local, dedicated teams of investment specialists with a common investment method, following similar diligence and review processes, and operating platform. In 2010, the Issuer acquired a 51 per cent. stake in ICG Longbow in order to gain a foothold in the real estate mezzanine market. The Group intends to increase the investment products it offers through a measured expansion into adjacent asset classes.

### *Invest selectively*

The Group has a wide and experienced local network dedicated to sub-investment grade investments and therefore believes that it has a strong capability for originating deals. The Issuer recognises the importance of having local teams that speak the languages and understand the cultures of the markets in which they operate. The Issuer believes that these investment teams have (i) established it as a trusted and experienced investment partner with an ability to structure deals in an innovative manner and (ii) built long-standing relationships with local private equity sponsors, banks, advisors and management teams, providing it with a flow of deals and access to investment opportunities.

Each of the Group's investment opportunities is considered on its merits and in the context of the expected risk and return requirements set by the Issuer's Investment Committee. The Issuer aims to limit the downside risk of the investment with the underlying focus on generating cash flow and the repayment of the investment. In order to achieve this, the Issuer's investment strategy is underpinned by rigorous analysis of the credit fundamentals of each investment.

### *Manage portfolio to maximise value*

The Group believes that regular involvement with the companies in its investment portfolio is fundamental to managing and supporting the value of its investments. The monitoring of investments is a key focus of both the Issuer's investment executives and its Investment Committee and the Issuer typically seeks board attendance rights from companies in its investment portfolio. The Issuer's investment executives are responsible for attending monthly and quarterly board meetings. The Issuer believes that such board representation assists in:

- effective portfolio management due to access to the relevant company's management and information; and
- building and strengthening relationships with stakeholders, which has historically provided the Issuer with follow-on or new investment opportunities.

The Issuer believes that by closely monitoring investments and with the experience of its executives in recovering principal amounts invested in defaulting companies, it can identify risks within its investment portfolio at an early stage and act accordingly.



## **Investment Process and Portfolio**

### ***Mezzanine and Minority Equity Funds***

The Mezzanine and Minority Equity Investment Committee framework is based on three regionally focussed investment committees – one each for Europe, Asia Pacific and the United States. All of these committees are chaired by Christophe Evain, Chief Executive Officer (CEO) and Chief Investment Officer (CIO). The Chairman selects up to seven members from two pre-defined lists of senior investment professionals including Managing Directors (who sit on all investment committees) and senior members of the mezzanine and equity business. One of these members will be nominated as a sponsor member, to reflect the specificities of the investment (i.e. geography, size, nature of the transaction). The committee members are responsible for reviewing and approving all investment proposals presented by investment executives in accordance with the Investment Policy set by the Board. The approval of the Board is required for large investments according to pre-set thresholds. These Mezzanine and Minority Equity Investment Committees also review and manage potential and actual conflicts of interest, review quarterly performance reports of the Group's portfolio companies and co-ordinate management plans for individual assets as necessary.

### ***Credit Funds***

The Credit Funds Investment Committee is chaired by Christophe Evain, CEO and CIO. The Chairman selects up to five members among two pre-defined lists of senior investment professionals including Managing Directors and senior members of the Credit Funds Management team. One of these members will be nominated as sponsor member, depending on the specificities of the investment (i.e. geography, size, nature of the transaction). The Committee members are responsible for reviewing and approving all investment proposals presented by credit executives in accordance with the Investment Policy. The Credit Funds Investment Committee also reviews and manages potential and actual conflicts of interest, reviews the quarterly performance reports of the Group's credit funds' portfolio companies and co-ordinates management plans for individual assets as necessary.

By chairing both Investment Committees, the CIO ensures the Group's Global Investment Strategy is applied consistently across the firm.

### ***Real Estate Funds***

The ICG Longbow Investment Committee is chaired by Graeme Troll and is comprised of members representing the senior investment professionals and credit and risk functions of ICG Longbow. The Committee is responsible for reviewing and approving all investment proposals relating to ICG Longbow's commercial real estate debt funds. The Committee also reviews and manages potential conflicts of interest, reviews the quarterly performance reports of investments and co-ordinates management plans for individual assets as necessary.

### ***Investment Portfolio***

The Group's strategy is to leverage its deep sector or company specific knowledge to identify undervalued assets through rigorous bottom-up research and analysis of the fundamentals of the underlying company.

### *Issuer's Portfolio by Sector*

As at 30 September 2013, the largest industry sector in the Issuer's investment portfolio was financial services, representing 18.1 per cent. of the portfolio, followed by business services at 13.0 per cent. The table below sets out the Issuer's investment portfolio by industry sector as at 30 September 2013:

<b>Industry Sector</b>	<b>Percentage of Issuer's Investment Portfolio (per cent.)</b>
Financial services.....	18.1
Business services.....	13.0
Construction materials.....	10.8
Retail.....	7.2
Telecoms, media and technology.....	7.1
Entertainment and leisure.....	7.0
Healthcare.....	5.7
Food and consumer products.....	5.0
Transport.....	4.3
Utilities and waste management.....	3.9
Pharmaceuticals and chemicals.....	3.9
Manufacturing and engineering.....	3.2
Real estate.....	3.2
Automotive.....	2.5
Packaging.....	2.1
Publishing & advertising.....	1.6
Other.....	1.4

### *Issuer's Portfolio by Geography*

As at 30 September 2013, the Group's investment portfolio was geographically spread across Europe, Asia Pacific and North America; France (with 32.7 per cent. of assets by value) and the UK (with 28.6 per cent. of assets by value) represented the countries with the largest assets by value in the portfolio. The table below sets out the Issuer's investment portfolio by geographical region as at 30 September 2013:

<b>Region</b>	<b>Percentage of Issuer's Investment Portfolio (per cent.)</b>
France.....	32.7
UK.....	28.6
Germany.....	7.1
Spain.....	6.9
North America.....	6.5
Asia Pacific.....	6.4
Nordic.....	5.4
Benelux.....	3.7
Italy.....	2.5
Other Europe.....	0.1

### Top 20 Assets

The top 20 assets, as valued on the Issuer's balance sheet as at 30 September 2013 on a consolidated basis, which amounted to £969 million, were as follows:

<b>Company</b>	<b>Country</b>	<b>Industry</b>	<b>Investment year</b>	<b>£m<sup>(1)</sup></b>
Applus+ .....	Spain	Business services	2007	108.0
Gerflor .....	France	Construction materials	2011	100.1
Materis .....	France	Construction materials	2006	81.1
Westbury Baxter .....	UK	Food and consumer products	2011	48.8
Ethypharm .....	France	Pharmaceuticals	2007	51.4
AAS Link .....	Australia	Financial services	2007	47.7
SAG .....	Germany	Utilities	2008	47.5
Eos Loan Fund .....	UK	Portfolio investment	2010	45.9
Lowenplay .....	Germany	Leisure	2008	43.6
Feu Vert .....	France	Automotive	2007	43.3
Intelsat .....	USA	Telecoms, media and technology	2008	42.1
Fort Dearborn .....	USA	Packaging	2010	41.4
Nocibe .....	France	Retail	2006	40.2
Quorn .....	UK	Food manufacturing	2011	34.9
Euro Cater A/S .....	Denmark	Food distribution	2013	33.6
Fraikin .....	France	Shipping & transport	2007	32.9
Inspecta .....	Finland	Business services	2007	32.8
Veda Advantage .....	Australia	Financial services	2008	32.4
Riverland .....	UK	Portfolio investment	2012	31.3
Flaktwoods .....	France	Electronics	2007	30.3

Note:

(1) Carrying value on the Issuer's balance sheet at 30 September 2013.

### Top 10 Equity Assets

The top 10 equity assets, as valued on the Issuer's balance sheet as at 30 September 2013 on a consolidated basis, which amounted to £383 million, were as follows:

<b>Company</b>	<b>Industry</b>	<b>£m<sup>(1)</sup></b>
Gerflor .....	Construction materials	80.0
AAS Link .....	Financial services	47.7
Eos Loan Fund .....	Portfolio investment	45.9
Intelsat .....	Telecoms, media and technology	42.1
Applus+ .....	Business services	37.6
Riverland .....	Portfolio investment	31.3
AVR .....	Waste management	26.2
Westbury Baxter .....	Food and consumer products	25.0
Mennisez .....	Food and consumer products	23.8
Minimax .....	Electronics	23.6

Note:

(1) Carrying value on the Issuer's balance sheet at 30 September 2013.

### Trend Information

The Issuer is not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on its prospects for the current financial year.

### Directors and Management

The Issuer's management team has extensive experience in the mezzanine market. Two of the Executive Directors have been employed by the Issuer for over ten years. Furthermore, the management team represents a spread of nationalities that provides the relevant local knowledge and understanding to identify and manage the Group's diverse portfolio. The Issuer believes that it has the highest number of investment professionals compared to any other leading player in the European and

Asia Pacific mezzanine markets. This enables the Issuer to dedicate substantial time and resources to the origination of high quality investments as well as managing the portfolios.

The Issuer maintains a remuneration policy that promotes alignment between the staff and shareholders, supports the long term corporate strategy of the Issuer, promotes staff ownership and is transparent. In particular, payments under the Issuer's various medium-term and long-term incentive schemes are only made in respect of realised gains.

### ***Board of Directors***

The Issuer's directors (for the purposes of this section, "**Directors**" and each a "**Director**"), as at the date of this Base Prospectus, are as follows:

<b>Directors</b>	<b>Title</b>	<b>Principal activities outside of the Group</b>
Christophe Evain	Managing Director and Chief Executive Officer (Executive)	Not Applicable
Philip Keller	Managing Director and Chief Financial Officer (Executive)	Not Applicable
Benoît Durteste	Managing Director (Executive)	Not Applicable
Justin Dowley	Chairman (Non-Executive)	Burnham Overy Boathouse Limited Ascot Authority (Holdings) Limited Independent Port Handling Limited Melrose Industries Plc Callerheugh Limited Claridge Partners Limited MCC Overseas Limited L.J. and E.L. Dowley Farming Partnership Old Bailey 2005 LLP New Schools Network Tillmouth & Tweed Salmon Fishings LLP National Crime Agency
Peter Gibbs	Director (Non-Executive)	UK Financial Investments Ltd Impax Asset Management Group plc Merrill Lynch (UK) Pension Plan Trustee Ltd Friends Life Group plc Aspect Capital Limited
Kevin Parry	Director (Non-Executive)	KAH Parry Limited Royal National Children's Foundation The Parry Family Partnership Worshipful Company of Chartered Accountants in England and Wales
Kim Wahl	Director (Non-Executive)	Strømstangen AS UPM Kymmene Corporation Voxtra Foundation/Voxtra AS Norwegian-Swedish Chamber of Commerce DNB Bank ASA
Lindsey McMurray	Director (Non-Executive)	RBS Special Opportunities Fund AHM (Block 1-3) LLP The Camden Future First Network Limited Villon Holdings (UK) Limited Warleigh Manor Management Limited

## ***Directors' Details***

### *Chairman*

*Justin Dowley.* Mr Dowley is the Chairman of the Issuer. He qualified as a chartered accountant with Price Waterhouse in 1980. From 1981 until 2011, his career was in investment banking: he was a founder partner of Tricorn Partners, Head of Investment Banking at Merrill Lynch Europe and a Director of Morgan Grenfell. He is a non-executive Director of Melrose Industries PLC and is also a director of a number of private companies including Ascot Authority (Holdings) Limited.

### *Executive Directors*

*Christophe Evain.* Mr Evain has been CEO of the Issuer since 2010; he had worked at the Issuer for 16 years prior to this and was responsible for opening its offices in Paris, Hong Kong and New York. Before working for the Issuer, Mr Evain held a number of roles in leading financial institutions including Banque de Gestion Privée, National Westminster Bank and Crédit Lyonnais specialising in leverage and structured finance. He is a Graduate of Dauphine University, Paris. He is the Chief Executive Officer and chairs the Issuer's Investment Committees in his role as Chief Investment Officer.

*Philip Keller.* Prior to joining the Issuer in 2006, Mr Keller was finance director at ERM Holdings Ltd., one of the world's largest environmental consultancies. He has previously held a number of financial directorships in the GlaxoSmithKline and Johnson & Johnson groups. He is a chartered accountant, and as a member of the Executive Committee he is responsible for the Issuer's finance and operations.

*Benoît Durteste.* Prior to joining the Issuer in 2002, Mr Durteste worked in the leveraged and structured finance divisions of Swiss Reinsurance Company Ltd. and BNP Paribas S.A. He also worked for GE Capital as chief financial officer of a portfolio company. He is a graduate of the Ecole Supérieure de Commerce de Paris.

### *Non-Executive Directors*

*Kevin Parry.* Mr Parry is Chairman of the Audit and Risk Committee and Senior Independent Director. He was chief financial officer of Schroders plc from January 2009 until May 2013 and was chairman of its audit committee from 2003 to 2008. He was previously chief executive at the Management Consulting Group Plc and a managing partner of KPMG. He is a chartered accountant.

*Peter Gibbs.* Mr Gibbs is Chairman of the Issuer's Remuneration Committee. He was chief investment officer of Merrill Lynch's investment management activities outside the United States until 2008, and prior to that co-head of Merrill Lynch's equity investments worldwide. He is currently a non-executive director of Evolution Group plc, Impax Asset Management Group plc, Friends Life Group plc, a director of Merrill Lynch (UK) Pension Plan Trustee Ltd and a director of UK Financial Investments Ltd.

*Kim Wahl.* Mr Wahl joined the Issuer on 10 July 2012. He has extensive European private equity experience having co-founded IK Investment Partners in 1989, to which he is still a senior advisor, and he is owner and Chairman of investment firm Strømstangen AS, focusing on asset management emphasising long term value creation, which he established in 2004. Mr Wahl is also a board member of UPM Kymmene Corporation, Aspelin-Ramm Group AS and Kavli Holding AS. In addition, Mr Wahl is Co-Founder and Chairman of the Voxtra Foundation.

*Lindsey McMurray.* Ms McMurray joined the Issuer in September 2012. She has been a private equity investor for more than 15 years with a particular focus on the Financial Services sector. For seven years, she has been Head of Equity Finance at RBS's Special Opportunities Fund, a £1.1 billion private equity fund which has maintained top quartile performance. Prior to RBS, she was a Partner at Cabot Square Capital, Ltd., a London-based private equity firm, for six years. There she focused on operating investments in real estate and other asset backed investments, together with investments in the financial services sector.

### ***Conflicts of Interest***

As at the date of this Base Prospectus, no Director has a potential conflict of interest between any of its duties to the Issuer and his/her private interests and/or other duties.

### ***Business Address***

The business address for each of the Directors is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom.

### ***Audit Committee***

The Audit Committee consists of the four independent Non-Executive Directors of the Issuer: Kevin Parry (Chairman of the Committee), Peter Gibbs, Kim Wahl and Lindsey McMurray. The Executive Directors and Chairman of the Board of Directors are not members of the Audit Committee but are normally invited to attend committee meetings. Deloitte LLP, the Issuer's auditor, is also invited to attend such meetings and has direct access to committee members. The Audit Committee meets regularly, at least four times a year, and is responsible for:

- selecting and recommending the appointment of the external auditor to the Board of Directors, approving their terms of reference and fees;
- reviewing the performance of the external auditor and ensuring appropriate rotation of the audit partner;
- reviewing the independence of the external auditor and the relationship between audit and non-audit work performed by the external auditor;
- reviewing the annual and interim accounts before they are presented to the Board of Directors, in particular any significant issues arising from the audit; accounting policies and clarity of disclosures; compliance with applicable accounting and legal standards; issues regarding a significant element of judgement;
- reviewing the provisioning policy for the investment portfolio on a six-monthly basis; and
- monitoring the integrity of the financial statements of the Issuer, including its annual and half-yearly reports, interim management statements, and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgments which they contain.

### ***Risk Committee***

The Risk Committee consists of five Non-Executive Directors of the Issuer, these being Kevin Parry (Chairman of the Committee), Peter Gibbs, Justin Dowley, Kim Wahl and Lindsey McMurray. The Executive Directors are not members of the Risk Committee but are normally invited to attend to the extent appropriate. The Committee is responsible for:

- reviewing the effectiveness of the Issuer's internal controls and risk management systems and considering annually whether there is a need to establish an internal audit function;
- reviewing internal reports on the effectiveness of systems for internal financial control, financial reporting and risk management;
- reviewing and approving the statements to be included in the annual report concerning internal controls and risk management; and
- reviewing the Issuer's procedures for detecting fraud and for handling, in confidence, allegations from whistleblowers and ensuring that these procedures allow proportionate and independent investigation of such matters and appropriate follow up action.

### ***Corporate Governance***

The Issuer complied, throughout the year ended 31 March 2013 as well as the six months ended 30 September 2013, with the provisions of the UK Corporate Governance Code issued by the Financial Reporting Council (the "**FRC Code**"), other than on one occasion when a meeting of the Audit Committee in May 2012 was held with only two members of that committee in attendance rather than

three. This was due to the unavoidable absence of one of the members of the committee; the two Non-Executive Directors subsequently appointed have been made members of the committee such that it has a membership of four, and at all future meetings at least three members will be in attendance. There has been full compliance with the FRC Code since the most recent financial year end.

### **Principal Shareholders**

As at 26 February 2014 (being the latest practicable date before the publication of this Base Prospectus), the Issuer was aware of the following persons, other than Directors of the Issuer and other than the Issuer itself by virtue of it holding treasury shares, who, directly or indirectly, were interested in 3 per cent. or more of the voting rights attached to the Issuer's share capital (calculated exclusive of treasury shares):

<b>Shareholder</b>	<b>Number of Ordinary Shares</b>	<b>Approximate percentage of the voting rights</b>
Schroders plc	29,603,986	7.36
Aviva Investors	22,056,680	5.48
Newton Investment Management Ltd	21,300,227	5.30
Ameriprise Financial Inc (Group)	18,684,395	4.64
F&C Asset Management Plc	18,384,798	4.57
Employee Share Scheme Trustees	15,996,000	3.98
Baillie Gifford & Co Ltd	15,458,622	3.84
BlackRock Inc	14,267,840	3.55
Legal & General Investment Management Ltd	13,049,063	3.24

**5. SELECTED FINANCIAL INFORMATION OF  
INTERMEDIATE CAPITAL GROUP PLC**

This section sets out selected financial information relating to Intermediate Capital Group plc and its consolidated subsidiaries.



## SELECTED FINANCIAL INFORMATION OF INTERMEDIATE CAPITAL GROUP PLC

### Financial Summary for years ended 31 March 2013 and 31 March 2012

The financial summary set out below has been extracted without material adjustment from the audited consolidated financial statements of the Issuer for the years ended 31 March 2013 and 31 March 2012. The selected financial information should be read together with the consolidated financial statements. The audited consolidated financial statements of the Issuer for the years ended 31 March 2013 and 31 March 2012 are incorporated by reference into this Base Prospectus.

### Consolidated Income Statement

	For the year ended 31 March	
	2013	2012
	<i>(£m, except per share information)</i>	
Finance income .....	218.6	251.3
Fair value movements on financial assets .....	73.0	118.0
Fee and other operating income .....	78.8	68.2
	<u>370.4</u>	<u>437.5</u>
Finance costs .....	(60.7)	(58.8)
Impairments .....	(80.0)	(70.6)
Administrative expenses .....	(87.1)	(64.3)
	<u>142.6</u>	<u>243.8</u>
<b>Profit before tax</b> .....	<b>142.6</b>	<b>243.8</b>
Tax expense .....	(18.8)	(56.2)
	<u>123.8</u>	<u>187.6</u>
<b>Profit for the year</b> .....	<b>123.8</b>	<b>187.6</b>
Attributable to:		
Equity holders of the parent .....	124.4	188.3
Non-controlling interests .....	(0.6)	(0.7)
	<u>123.8</u>	<u>187.6</u>
Earnings per share .....	<u>32.1p</u>	<u>47.7p</u>
Diluted earnings per share .....	<u>32.1p</u>	<u>47.6p</u>

### Consolidated Statement of Financial Position

	As at 31 March	
	2013 (£m)	2012 (£m)
Non-current assets .....	2,721.7	2,387.2
Current assets .....	177.7	268.9
	<u>2,899.4</u>	<u>2,656.1</u>
<b>Total assets</b> .....	<b>2,899.4</b>	<b>2,656.1</b>
Total equity .....	<u>1,562.9</u>	<u>1,450.7</u>
Non-current liabilities .....	749.4	943.4
Current liabilities .....	587.1	262.0
	<u>1,336.5</u>	<u>1,205.4</u>
<b>Total liabilities</b> .....	<b>1,336.5</b>	<b>1,205.4</b>
<b>Total equity and liabilities</b> .....	<b>2,899.4</b>	<b>2,656.1</b>

## Consolidated Statement of Cash Flow

	For the year ended 31 March	
	2013 (£m)	2012 (£m)
Net cash (used in)/generated from operating activities .....	(129.8)	360.0
Net cash (used in)/from investing activities .....	(1.3)	(1.4)
Net cash (used in)/from financing activities .....	24.3	(342.8)
Net increase/(decrease).....	(106.8)	15.8
<b>Net cash and cash equivalents at the end of the year .....</b>	<b>41.8</b>	<b>149.8</b>

## Financial Summary for six months ended 30 September 2013 and 30 September 2012

The financial summary set out below has been extracted without material adjustment from the unaudited condensed consolidated financial statements of the Issuer for the six months ended 30 September 2013 and 30 September 2012. The selected financial information should be read together with the consolidated financial statements. The unaudited condensed consolidated financial statements of the Issuer for the six months ended 30 September 2013 and 30 September 2012 are incorporated by reference into this Base Prospectus.

## Condensed Consolidated Income Statement (Unaudited)

	For the six months ended 30 September	
	2013	2012
	<i>(£m, except per share information)</i>	
Finance income .....	114.8	108.3
Gains on investments.....	157.4	32.0
Fee and other operating income.....	40.1	34.3
	312.3	174.6
Finance costs .....	(32.0)	(29.4)
Impairments.....	(76.3)	(64.8)
Administrative expenses.....	(48.7)	(40.8)
<b>Profit before tax.....</b>	<b>155.3</b>	<b>39.6</b>
Tax expense.....	(32.4)	(0.1)
<b>Profit for the period.....</b>	<b>122.9</b>	<b>39.5</b>
Attributable to:		
Equity holders of the parent.....	123.0	39.8
Non-controlling interests.....	(0.1)	(0.3)
	122.9	39.5
Earnings per share .....	32.0p	10.3p
Diluted earnings per share .....	31.9p	10.3p

## Condensed Consolidated Statement of Financial Position (Unaudited)

	As at 30 September	
	2013 (£m)	2012 (£m)
Non-current assets .....	2,049.2	2,497.6
Current assets .....	382.0	234.6
<b>Total assets</b> .....	<b>2,431.2</b>	<b>2,732.2</b>
Total equity .....	1,521.8	1,467.2
Non-current liabilities .....	636.8	932.8
Current liabilities .....	272.6	332.2
<b>Total liabilities</b> .....	<b>909.4</b>	<b>1,265.0</b>
<b>Total equity and liabilities</b> .....	<b>2,431.2</b>	<b>2,732.2</b>

## Condensed Consolidated Statement of Cash Flow (Unaudited)

	For the six months ended 30 September	
	2013 (£m)	2012 (£m)
Net cash (used in)/from operating activities .....	573.2	(176.8)
Net cash (used in)/from investing activities .....	(1.8)	(0.7)
Net cash (used in)/from financing activities .....	(424.3)	169.1
Net increase/(decrease) .....	147.1	(8.4)
<b>Net cash and cash equivalents at end of period</b> .....	<b>184.1</b>	<b>135.9</b>

## 6. DESCRIPTION OF THE ORIGINAL GUARANTORS

This section sets out information about the Original Guarantors.

## DESCRIPTION OF THE ORIGINAL GUARANTORS

### INTERMEDIATE CAPITAL INVESTMENTS LIMITED

#### Overview

ICIL was incorporated on 9 December 1988 under the Companies Act 1985 as a private limited company and registered in England and Wales with registered number 02327070. ICIL is governed by the Companies Act 2006. Its registered office is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom, telephone number +44 (0)203 201 7700.

As at 26 February 2014 (being the latest practicable date prior to the publication of this Base Prospectus), the issued and fully paid up share capital of ICIL amounted to £9,001,000 divided into 9,001,000 ordinary shares of £1 each.

#### Business Activities

ICIL's primary business activities are the making of investments and owning an investment portfolio as part of the Issuer's investment business segment (see "*Description of Intermediate Capital Group plc – Investment Company*").

#### Organisational Structure

ICIL is a wholly owned subsidiary of the Issuer (see "*Description of Intermediate Capital Group plc – Group Structure*").

#### Administration and Management

The directors of ICIL and their principal outside activities are as follows:

<u>Directors</u>	<u>Title</u>	<u>Principal activities outside of the Group</u>
Christophe Evain.....	Chief Executive Officer (Executive)	Not Applicable
Philip Keller.....	Finance Director (Executive)	Not Applicable
Benoît Durteste .....	Managing Director (Executive)	Not Applicable

#### Business Address and Conflicts of Interest

The business address of the directors is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom. At the date of this Base Prospectus, no director has a potential conflict of interest between any of its duties to ICIL and his private interests and/or other duties.

#### Corporate Governance

The United Kingdom's corporate governance regime does not directly apply to ICIL, it being a wholly owned subsidiary of the Issuer; the Issuer is a public limited company having its Ordinary Shares admitted to listing on the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange.

## INTERMEDIATE CAPITAL MANAGERS LIMITED

### Overview

ICML was incorporated on 12 December 1988 under the Companies Act 1985 as a private limited company and registered in England and Wales with registered number 02327504. ICML is governed by the Companies Act 2006. Its registered office is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom, telephone number +44 (0)203 201 7700.

As at 26 February 2014 (being the latest practicable date prior to the publication of the Base Prospectus), the issued and fully paid-up share capital of ICML amounted to £400,000 divided into 400,000 ordinary shares of £1 each.

### Business Activities

ICML's primary business activity is to act as the investment advisor to the Issuer's fund management business segment (see "*Description of Intermediate Capital Group plc – Fund Management Company*").

### Organisational Structure

ICML is a wholly owned subsidiary of the Issuer (see "*Description of Intermediate Capital Group plc – Group Structure*").

### Administration and Management

The directors of ICML and their principal outside activities are as follows:

<u>Directors</u>	<u>Title</u>	<u>Principal activities outside of the Group</u>
Christophe Evain.....	Chief Executive Officer (Executive)	Not Applicable
Philip Keller.....	Finance Director (Executive)	Not Applicable
Benoît Durteste .....	Managing Director (Executive)	Not Applicable

### Business Address and Conflicts of Interest

The business address of the directors is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom. At the date of this Base Prospectus, no director has a potential conflict of interest between any of its duties to ICML and his private interests and/or other duties.

### Corporate Governance

The United Kingdom's corporate governance regime does not directly apply to ICML, it being a wholly owned subsidiary of the Issuer; the Issuer is a public limited company having its Ordinary Shares admitted to listing on the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange.

## INTERMEDIATE INVESTMENTS LLP

### Overview

IIL was incorporated on 7 November 2006 under the Limited Liability Partnerships Act 2000 as a limited liability partnership registered in England and Wales with registered number OC323795. IIL is governed by the Limited Liability Partnerships Act 2000. Its registered office is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom, telephone number +44 (0)203 201 7700.

Under Clause 3.2 of the partnership agreement dated 8 November 2006 entered into between JOG Partners Limited and Intermediate Capital Limited, and acceded to by Intermediate Investments Guarantee Limited by way of a deed of accession dated 4 December 2006, IIL carries on (i) the business of investing in permitted investments listed therein with a view to a profit, (ii) any other business which may seem to members capable of being conveniently carried on in connection with investing in permitted investments listed therein, and (iii) any other business with a view to profit as the members may agree in writing from time to time.

### Business Activities

IIL's primary business activity is that of holding and managing an investment portfolio as part of the Issuer's investment business segment (see "*Description of Intermediate Capital Group plc – Investment Company*").

### Organisational Structure

The Issuer is the controlling party and ultimate parent company of IIL (see "*Description of Intermediate Capital Group plc – Group Structure*").

### Designated Members

The designated members of IIL are:

<u>Designated member</u>	<u>Date joined</u>	<u>Directors</u>
JOG Partners Limited .....	8 November 2006	Christophe Evain Philip Keller Benoît Durteste
Intermediate Capital Limited .....	8 November 2006	Christophe Evain Philip Keller Benoît Durteste
Intermediate Investments Guarantee Limited .....	4 December 2006	Philip Keller Christophe Evain Benoît Durteste

### Business Address and Conflicts of Interest

The business address of the designated members and the directors of the designated members is Juxon House, 100 St Paul's Churchyard, London EC4M 8BU, United Kingdom. At the date of this Base Prospectus, no designated member nor any director of any designated member has a potential conflict of interest between any of their duties to IIL and his private interests and/or other duties.

### Corporate Governance

The United Kingdom's corporate governance regime does not directly apply to IIL, it being controlled by the Issuer; the Issuer is a public limited company having its Ordinary Shares admitted to listing on the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange.

**7. SELECTED FINANCIAL INFORMATION OF THE ORIGINAL GUARANTORS**

This section sets out selected financial information relating to the Original Guarantors.



## SELECTED FINANCIAL INFORMATION OF THE ORIGINAL GUARANTORS

### Selected Financial Information of Intermediate Capital Investments Limited

The financial summary set out below has been extracted without material adjustment from the audited financial statements of ICIL for the financial years ended 31 March 2013 and 31 March 2012 and should be read together with such audited financial statements. The audited financial statements of ICIL for the financial years ended 31 March 2013 and 31 March 2012 are incorporated by reference into this Base Prospectus.

#### Profit & Loss Account

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Profit on ordinary activities before taxation.....	28,186	14,398
Tax credit/(charge) on profit on ordinary activities .....	14,086	(1,300)
Profit on ordinary activities after taxation .....	42,272	13,098

#### Balance Sheet

	As at 31 March	
	2013 (£'000)	2012 (£'000)
<b>Fixed Asset:</b>		
Investments .....	216,517	211,540
Current Assets .....	93,403	70,365
<b>Total Assets</b> .....	309,920	281,905
<b>Creditors:</b>		
Amounts falling due within one year.....	(239,650)	(217,357)
<b>Net Assets</b> .....	70,270	64,548
<b>Capital and reserves</b>		
Equity shareholders' funds.....	70,270	64,548
<b>Total capital employed</b> .....	70,270	64,548

#### Cash Flow Statement

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Net cash outflow from operating activities.....	(88)	-
Cash and cash equivalents at the beginning of the year .....	88	88
Cash and cash equivalents at the end of the year .....	-	88

## Selected Financial Information of Intermediate Capital Managers Limited

The financial summary set out below has been extracted without material adjustment from the audited financial statements of ICML for the financial years ended 31 March 2013 and 31 March 2012 and should be read together with such audited financial statements. The audited financial statements of ICML for the financial years ended 31 March 2013 and 31 March 2012 are incorporated by reference into this Base Prospectus.

### Profit & Loss Account

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Profit on ordinary activities before taxation.....	50,083	54,545
Tax on profit on ordinary activities .....	(12,375)	(14,733)
Profit on ordinary activities after taxation .....	37,708	39,812

### Balance Sheet

	As at 31 March	
	2013 (£'000)	2012 (£'000)
<b>Fixed Asset:</b>		
Intangible Asset.....	2,279	3,481
Current Assets .....	100,412	59,309
Total Assets.....	102,691	62,790
<b>Creditors:</b>		
Amounts falling due within one year.....	(69,146)	(18,278)
<b>Net Assets</b> .....	33,545	44,512
<b>Capital and reserves</b>		
Shareholders' funds.....	33,545	44,512
<b>Total capital employed</b> .....	33,545	44,512

### Cash Flow Statement

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Net cash inflow from operating activities.....	(1)	-
Cash and cash equivalents at the beginning of the year .....	1	1
Cash and cash equivalents at the end of the year .....	-	1

## Selected Financial Information of Intermediate Investments LLP

The financial summary set out below has been extracted without material adjustment from the audited financial statements of IIL for the financial years ended 31 March 2013 and 31 March 2012 and should be read together with such audited financial statements. The audited financial statements of IIL for the financial years ended 31 March 2013 and 31 March 2012 are incorporated by reference into this Base Prospectus.

### Profit & Loss Account

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Profit for the financial year before members' remuneration and profit shares ....	743	311
Members' remuneration charged as an expense .....	(743)	(311)
Result for the financial year available for discretionary division among members .....	-	-

### Balance Sheet

	As at 31 March	
	2013 (£'000)	2012 (£'000)
Current Assets .....	77,379	76,636
Net assets attributable to members .....	77,379	76,636
<b>Total members' interests:</b>		
Loans and debts due to members .....	77,379	76,636

### Cash Flow Statement

	For the year ended 31 March	
	2013 (£'000)	2012 (£'000)
Net cash outflow from operating activities .....	-	-
Cash and cash equivalents at the beginning of the year .....	-	-
Cash and cash equivalents at the end of the year .....	-	-

## 8. INFORMATION INCORPORATED BY REFERENCE

This section contains a description of the information that is deemed to be incorporated by reference into this Base Prospectus.

## INFORMATION INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with:

### *Intermediate Capital Group plc*

- (i) the annual report and accounts of the Issuer and its consolidated subsidiaries for the financial year ended 31 March 2013 published on the Issuer's website on 22 May 2013;
- (ii) the annual report and accounts of the Issuer and its consolidated subsidiaries for the financial year ended 31 March 2012 published on the Issuer's website on 28 May 2012;
- (iii) the unaudited interim results of the Issuer and its consolidated subsidiaries for the six months ended 30 September 2013 published on the Issuer's website on 21 November 2013;

### *Intermediate Capital Investments Limited*

- (iv) the report and audited non-consolidated financial statements of ICIL for the financial year ended 31 March 2013;
- (v) the report and audited non-consolidated financial statements of ICIL for the financial year ended 31 March 2012;

### *Intermediate Capital Managers Limited*

- (vi) the annual report and audited non-consolidated financial statements of ICML for the financial year ended 31 March 2013;
- (vii) the annual report and audited non-consolidated financial statements of ICML for the financial year ended 31 March 2012;

### *Intermediate Investments LLP*

- (viii) the report and audited non-consolidated financial statements of IIL for the financial year ended 31 March 2013; and
- (ix) the report and audited non-consolidated financial statements of IIL for the financial year ended 31 March 2012,

each of which has been previously published (or is published simultaneously with this Base Prospectus) and reviewed by the UK Listing Authority or filed with it. Such documents shall be incorporated in, and form part of, this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus. Information contained in the documents incorporated by reference into this Base Prospectus, which is not itself incorporated by reference, is either not relevant for investors or else is covered elsewhere in this Base Prospectus.

Copies of this Base Prospectus and all of the documents incorporated by reference in this Base Prospectus will be available for inspection upon request (free of charge) during normal business hours at the registered office of the Issuer and at the specified office of the Issuing and Paying Agent and copies of the documents referred to in paragraphs (i) to (iii) above can also be obtained from the Issuer's website at <http://www.icgplc.com/shareholders/results-and-presentations.aspx>. The other contents of the Issuer's website shall not form part of this Base Prospectus.

## 9. SUBSCRIPTION AND SALE

This section contains a description of the material provisions of the Dealer Agreement and certain selling restrictions applicable to making offers of the Notes under the Programme.

## SUBSCRIPTION AND SALE

### Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 28 February 2014 (the "**Dealer Agreement**") between the Issuer, the Original Guarantors and Deutsche Bank AG, London Branch (as Dealer and Arranger), the Notes will be issued from time to time by the Issuer and subscribed for and/or distributed from time to time by one or more Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers who are appointed as Dealers in respect of specified Tranches only. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer(s) a commission as agreed between them in respect of any Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the establishment of the Programme and for certain other activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis may be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of any Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### Selling Restrictions

Notes may be offered by the Issuer or the Dealers to any investors, subject to the restrictions described below.

#### *United States*

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under 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. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The relevant Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. The Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. 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 of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### ***Public Offer Selling Restriction under the Prospectus Directive***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by Final Terms contemplating such Public Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (b) at any time to any legal entity which a qualified investor as defined in the Prospective Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) 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 (b) to (d) above shall require the Issuer or any Dealer 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 for 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, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State; and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### ***United Kingdom***

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

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;



- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA would not apply to the Issuer or the Guarantors; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### ***Guernsey***

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

- (a) the Notes cannot be marketed, offered or sold in or to persons resident in Guernsey other than in compliance with the licensing requirements of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, and the regulations enacted thereunder, or any exemption therefrom; and
- (b) this Base Prospectus has not been approved or authorised by the Guernsey Financial Services Commission for circulation in Guernsey. This Base Prospectus may not be distributed or circulated directly or indirectly to any persons in the Bailiwick of Guernsey other than (i) by a person licensed to do so under the terms of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, or (ii) to those persons regulated by the Guernsey Financial Services Commission as licensees under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Business and Company Directors etc. (Bailiwick of Guernsey) Law, 2000.

### ***Isle of Man***

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that this Base Prospectus has not been and will not be registered or filed as a prospectus with any governmental or other authority in the Isle of Man and this Base Prospectus and the issue of the Notes have not been approved by the Isle of Man Financial Supervision Commission. Any offer for subscription, sale or exchange of the Notes in or from the Isle of Man must be made:

- (a) by an Isle of Man financial services licence holder appropriately licensed under section 7 of the Financial Services Act 2008;
- (b) in accordance with any relevant exclusion contained within the Regulated Activities Order 2011; or
- (c) in accordance with any available exemption contained in the Financial Services (Exemptions) Regulations 2011.

### ***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### ***Jersey***

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not circulated, and will not circulate, in Jersey any offer for subscription, sale or exchange of any Notes unless such offer is circulated in Jersey by a person or persons authorised to conduct investment business under the Financial Services (Jersey) Law 1998, as amended and (a) such offer does not for the purposes of Article 8 of the Control of Borrowing (Jersey) Order 1958, as amended, constitute an offer to the public, or (b) an identical offer is for the time being circulated in the United Kingdom without contravening the Financial Services and Markets Act 2000 and is, *mutatis mutandis*, circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom.

### ***General***

These selling restrictions may be modified by the agreement of the Issuer, the Guarantors and the Dealers following a change in a relevant law, regulation or directive.

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

The Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes or publishes this Base Prospectus, any other offering material or any Final Terms therefor in all cases at its own expense.

## 10. TAXATION

If you are considering applying for Notes, it is important that you understand the taxation consequences of investing in the Notes. It is recommended that you read this section and discuss the taxation consequences with your tax adviser, financial adviser or other professional adviser before deciding whether to invest in the Notes.

## TAXATION

### United Kingdom Taxation

The comments below are of a general nature based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs) and are not intended to be exhaustive. They do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons and may not apply to certain classes of persons such as dealers, certain professional investors, or persons connected with the Issuer. The comments are intended as a general guide and should be treated with appropriate caution, particularly since the precise provisions of the Final Terms could alter the tax treatment. This summary does not cover any issues or taxes not expressly covered; nor should it be considered legal or tax advice to any person. The summary does not take into account the effect of any overriding anti-avoidance legislation that may apply to Noteholders in their particular circumstances or to any wider arrangements to which they may be a party. Each potential purchaser is advised to consult its own tax adviser as to the United Kingdom tax consequences attributable to acquiring, holding and disposing of Notes and in particular it is recommended that any Noteholders who are in doubt as to their own tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, consult their professional advisers.

#### 1. Interest

1.1 While the Notes continue to be listed on a recognised stock exchange within the meaning of Section 1005 Income Tax Act 2007, payments of interest by the Issuer may be made without withholding or deduction for or on account of United Kingdom income tax. The London Stock Exchange is a recognised stock exchange for these purposes. Notes will be treated as listed on the London Stock Exchange if they are included in the Official List by the United Kingdom Listing Authority and are admitted to trading on the London Stock Exchange.

If the Notes cease to be so listed and traded, interest will generally be paid by the Issuer under deduction of income tax at the basic rate (currently 20 per cent.) unless:

- (i) at the time the payment is made, the Issuer reasonably believes that the person beneficially entitled to the interest is:
  - (a) a company resident in the United Kingdom; or
  - (b) a company not resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account the interest in computing its United Kingdom taxable profits; or
  - (c) a partnership each member of which is a company referred to in (a) or (b) above or a combination of companies referred to in (a) or (b) above,and HM Revenue & Customs has not given a direction that the interest should be paid under deduction of tax; or
- (ii) the Issuer has received a direction to the contrary from HM Revenue & Customs in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty; or
- (iii) the interest is paid on Notes the term of which is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 365 days.

1.2 The interest has a United Kingdom source and accordingly may be chargeable to United Kingdom tax by direct assessment. Where the interest is paid without withholding or deduction, the interest will not be assessed to United Kingdom tax in the hands of holders of the Notes who are not resident in the United Kingdom, except where the Noteholder carries on a trade, profession or vocation in the United Kingdom through a branch or agency, or in the case of a corporate holder, carries on a trade through a permanent establishment in the United

Kingdom, in connection with which the interest is received or to which the Notes are attributable, in which case (subject to exemptions for interest received by certain categories of agent) tax may be levied on the United Kingdom branch or agency, or permanent establishment.

If interest were paid under deduction of United Kingdom income tax (e.g. if the Notes lost their listing), Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in an applicable double taxation treaty.

Noteholders should note that the provisions relating to additional amounts referred to in "*Terms and Conditions of the Notes — Taxation*" below would not apply if HM Revenue & Customs sought to assess directly the person entitled to the relevant interest to United Kingdom tax. However exemption from, or reduction of, such United Kingdom tax liability might be available under an applicable double taxation treaty.

The references to "interest" above mean interest as understood in United Kingdom tax law and in particular any premium element of the redemption amount of the Notes redeemable at a premium may constitute a payment of interest subject to the withholding tax and reporting provisions discussed above and under "*Information Reporting and EU Directive on the Taxation of Savings Income*" below.

## 2. **Payments in respect of the Guarantee**

The United Kingdom withholding tax treatment of payments by the Guarantors under the terms of the Guarantee in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes) is uncertain. In particular, such payments by the Guarantors may not be eligible for the exemption in respect of Notes listed on a recognised stock exchange described above in relation to payments of interest by the Issuer. Accordingly, if the Guarantor makes any such payments, they may be subject to United Kingdom withholding tax at the basic rate.

### **The Proposed Financial Transactions Tax ("FTT")**

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt. Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Should the FTT be introduced in that form, it would primarily be a tax levied on financial institutions (such as banks, credit institutions and pension funds) in the secondary market. However, such financial institutions may choose to transfer the FTT cost on to the holders of Notes, who may consequently suffer additional transaction costs.

The FTT proposal remains subject to negotiation between the participating Member States. It is the subject of legal challenge and significant uncertainty after the leaking of an opinion of the Legal Service of the Council of the European Union questioning the legality of certain aspects of the current draft proposal. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## **Information Reporting and EU Directive on the Taxation of Savings Income**

HM Revenue & Customs has powers to obtain information relating to securities in certain circumstances. This may include details of the beneficial owners of the Notes (or the persons for whom the Notes are held), details of the persons to whom payments derived from the Notes are or may be paid and information and documents in connection with transactions relating to the Notes. Information may be required to be provided by, amongst others, the holders of the Notes, persons by (or *via*) whom payments derived from the Notes are made or who receive (or would be entitled to receive) such payments, persons who effect or are a party to transactions relating to the Notes on behalf of others and certain registrars or administrators. In certain circumstances, such information may be exchanged with tax authorities in other countries.

Under the Savings Directive each EU Member State is required to provide to the tax authorities of another EU Member State details of payments of interest or other similar income payments ("**Savings Income**") made by a person within its jurisdiction to or collected by such a person for an individual or to certain non-corporate entities, resident in that other EU Member State (interest payments on the Notes will for these purposes be Savings Income). However, for a transitional period, Austria and Luxembourg are instead applying a withholding system in relation to such payments, deducting tax of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced that it will cease to withhold from 1 January 2015 and instead provide the required information.

A number of non-EU countries and certain dependent or associated territories of certain EU Member States have adopted and implemented similar measures (either provision of information or transitional withholding) in relation to payments of Savings Income made by a person within its jurisdiction to an individual, or to certain non-corporate entities, resident in an EU Member State.

In addition, EU Member States have entered into reciprocal arrangements with certain of those non-EU countries and dependent or associated territories of certain EU Member States in relation to payments of Savings Income made by a person in an EU Member State to an individual, or to certain non-corporate entities, resident in certain dependent or associated territories or non-EU countries.

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

## **FATCA**

CIRCULAR 230 NOTICE. THE FOLLOWING NOTICE IS BASED ON U.S. TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE U.S. INTERNAL REVENUE SERVICE: (1) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN; AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

FATCA may require a payor to withhold 30 per cent. of payments made on or after 1 July 2014 to certain non-U.S. entities, such as the Issuer and the Guarantors. However, as described in more detail below, the Issuer and the Guarantors may avoid the withholding tax by complying with the necessary requirements under FATCA, including, to the extent applicable, any UK laws enacted to implement the intergovernmental agreement between the United Kingdom and United States in respect of FATCA. If necessary, the Issuer and the Guarantors may, in the future, enter into an agreement ("**FATCA Agreement**") with the U.S. Internal Revenue Service ("**IRS**") pursuant to which the Issuer or a Guarantor will be obligated to report on its Noteholders and beneficial owners of interests in the Notes and to withhold on payments to Noteholders and beneficial owners that are not FATCA compliant. There is no assurance that the Issuer and the Guarantors will be able to comply with the foregoing requirements, including any requirements under UK law, and avoid the withholding tax. Further, non-compliance by certain affiliates may, in certain cases, prevent the Issuer and the Guarantors from being able to comply with FATCA.

A financial institution, broker, agent or other intermediary (collectively, "**Intermediaries**") through which a beneficial owner of Notes holds its interests may also enter into a FATCA Agreement or comply with any applicable local laws in furtherance of FATCA to avoid the FATCA withholding tax.

To comply with FATCA, the Issuer, the Guarantors or an Intermediary may be required, among other things, to withhold up to 30 per cent. of payments, including principal, to Noteholders or beneficial owners that are Recalcitrant Holders (as defined below) or that are Non-Participating FFIs (as defined below). A "**Recalcitrant Holder**" is an investor that either fails to comply with requests for information that will help the Issuer, the Guarantors or an Intermediary comply with its reporting requirements under FATCA or, if applicable, does not execute a waiver of law prohibiting the disclosure of such information to a taxing authority. A "**Non-Participating FFI**" is a "foreign financial institution" as defined under FATCA (i) that fails to enter into an agreement with the IRS to report and withhold on its own account holders, unless exempted, or (ii) if applicable, that does not comply with any requirements imposed by its own government in respect of FATCA. No additional amounts will be payable by the Issuer, Guarantors or an Intermediary in respect of any amounts withheld in connection with FATCA. Prospective purchasers should refer to "*Terms and Conditions of the Notes – Condition 7*".

Any withholding on the Notes, to the extent required, is not expected to begin prior to 1 January 2017. In addition, a grandfathering rule provides that certain non-U.S. source obligations issued on or before the date that is six months after the date on which final U.S. Treasury regulations addressing "**foreign passthru payments**" are published and that are not modified and treated as reissued, for U.S. federal income tax purposes, after such date will not be subject to withholding. Obligations that are treated as equity and certain other obligations lacking a definitive term (such as saving and demand deposits), however, are not eligible for grandfathering. Assuming that the Notes are treated, for U.S. federal income tax purposes, as non-U.S. source debt obligations, Notes that are issued on or before the grandfathering date should qualify for the grandfathering exemption. However, there can be no assurance that any Notes, including any Notes subject to a modification or waiver of any conditions or terms relating to such Notes, will qualify for such treatment.

It is also possible that an Intermediary may be required to redeem early or cause the disposition or transfer of a Note held by a Noteholder or beneficial owner that does not comply with the requirements under FATCA and the proceeds from any such redemption, disposition or transfer may be an amount less than the then current fair market value of the Notes. No additional amounts will be paid to compensate a Noteholder or beneficial owner for any such losses.

As noted above, a financial institution will not be required to enter into its own FATCA Agreement with the IRS if it is a resident of a jurisdiction that enters into an intergovernmental agreement (an "**IGA**") with the United States in furtherance of FATCA. The United Kingdom entered into such an IGA with the United States on 12 September 2012. UK legislation implementing this IGA was made on 6 August 2013, and has come into force on 1 September 2013. Under the UK-US IGA, a UK financial institution will not be required to enter an agreement with the IRS, but would instead be required to register with the IRS to obtain a Global Intermediary Identification Number and comply with UK legislation that is expected to be implemented to give effect to the IGA. UK legislation will require a UK financial institution to report account information directly to the UK taxing authorities, which will forward such information to the IRS. In addition, withholding will not be imposed on payments made to a UK financial institution unless the IRS has specifically listed the UK financial institution as non-participating. Finally, a UK financial institution will not be required to withhold on payments it makes (except, in certain cases, payments to other financial institutions) unless the UK financial institution has otherwise assumed responsibility for withholding under US tax law.

FATCA is particularly complex and the full extent of its application to the Issuer, Guarantors, Intermediaries and Notes is currently uncertain. The Issuer's (or, if applicable, the Guarantor's) ability to avoid the withholding taxes under FATCA may not be within its control and may, in some cases, depend on the actions of an Intermediary, other withholding agents in the chain of custody, or the investors or their beneficial owners. There can be no assurance that payments on a Note will not be subject to withholding under FATCA. It is recommended that investors consult their own tax advisors about how FATCA may affect an investment in the Notes.

## 11. CLEARING AND SETTLEMENT

This section contains a summary of certain information relating to the clearing systems and settlement of securities in CREST.



## CLEARING AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, Luxembourg and/or CREST currently in effect. Investors wishing to use the facilities of any of the clearing systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant clearing system. None of the Issuer, the Guarantors, the Issuing and Paying Agent, the Trustee and any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### **Notes**

The Issuer may make applications to Euroclear and/or Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Notes. Global Notes will be deposited with a common depository or common safekeeper, as the case may be, for Euroclear and/or Clearstream, Luxembourg or an alternative clearing system as agreed between the Issuer and the relevant Dealer(s). Transfers of interests in such Global Notes will be made in accordance with the normal operating procedures of Euroclear and Clearstream, Luxembourg or, if appropriate, the alternative clearing system. Each Global Note deposited with a common depository or common safekeeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg will have an ISIN and a Common Code.

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### **CREST Depository Interests**

Following their delivery into Euroclear and/or Clearstream, Luxembourg, interests in Notes may be delivered, held and settled in CREST by means of the creation of CDIs representing the interests in the relevant Underlying Notes. The CDIs will be issued by the CREST Depository to CDI Holders and will be governed by English law.

The CDIs will represent indirect interests in the interest of CREST International Nominees Limited (the "**CREST Nominee**") in the Underlying Notes. Pursuant to the CREST Manual (as defined below), Notes held in global form by the common depository or common safekeeper may be settled through CREST, and the CREST Depository will issue CDIs. The CDIs will be independent securities distinct from the Notes, constituted under English law and may be held and transferred through CREST.

Interests in the Underlying Notes will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated by the CREST Depository as if it were one Underlying Note, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to CDI Holders any interest or other amounts received by it as holder of the Underlying Notes on trust for such CDI Holder. CDI Holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Notes and other relevant notices issued by the Issuer.

Transfers of interests in Underlying Notes by a CREST participant to a participant of Euroclear or Clearstream, Luxembourg will be effected by cancellation of the corresponding CDIs and transfer of an interest in such Underlying Notes to the account of the relevant participant with Euroclear or Clearstream, Luxembourg.

The CDIs will have the same ISIN as the ISIN of the Underlying Notes and will not require a separate listing on the Official List maintained by the UK Listing Authority.

Prospective subscribers for Notes represented by CDIs are referred to Section 3 (*Crest International Manual*) of the CREST Manual which contains the form of the CREST Deed Poll to be entered into by the CREST Depository. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer including the CREST Deed Poll in the form contained in Section 3 of the CREST Manual executed by the CREST Depository. These rights may be different from those of holders of Notes which are not represented by CDIs.

If issued, CDIs will be delivered, held and settled in CREST, by means of the CREST International Settlement Links Service. The settlement of the CDIs by means of the CREST International Settlement Links Service has the following consequences for CDI Holders:

- (a) CDI Holders will not be the legal owners of the Underlying Notes or have a direct beneficial interest in the Underlying Notes. The CDIs are separate legal instruments from the Underlying Notes to which they relate and represent an indirect interest in such Underlying Notes.
- (b) The Underlying Notes themselves (as distinct from the CDIs representing indirect interests in such Underlying Notes) will be held in an account with a custodian. The custodian will hold the Underlying Notes through a clearing system. Rights in the Underlying Notes will be held through custodial and depository links through the appropriate clearing systems. The legal title to the Underlying Notes or to interests in the Underlying Notes will depend on the rules of the clearing system in or through which the Underlying Notes are held.
- (c) Rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians described above. The enforcement of rights under the Underlying Notes will therefore be subject to the local law of the relevant intermediary. The rights of CDI Holders to the Underlying Notes are represented by the entitlements against the CREST Depository which (through the CREST Nominee) holds interests in the Underlying Notes. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Notes in the event of any insolvency or liquidation of the relevant intermediary, in particular where the Underlying Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.
- (d) The CDIs issued to CDI Holders will be constituted and issued pursuant to the CREST Deed Poll. CDI Holders will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST manual issued by Euroclear UK & Ireland (including the CREST International Manual dated 14 April 2008) as amended, modified, varied or supplemented from time to time (the "**CREST Manual**") and the CREST Rules (the "**CREST Rules**") (contained in the CREST Manual) applicable to the CREST International Settlement Links Service and CDI Holders must comply in full with all obligations imposed on them by such provisions.
- (e) Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository as issuer of the CDIs.
- (f) CDI Holders may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them. The attention of potential investors is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from the CREST website from time to time (at the date of this Base Prospectus, being at [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)).

- (g) Potential investors should note CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the CDIs through the CREST International Settlement Links Service.
- (h) Potential investors should note that none of the Issuer, the Guarantors, the relevant Dealer(s), the Trustee and the Paying Agents will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.
- (i) Potential investors should note that Notes represented upon issue by a temporary Global Note exchangeable for a permanent Global Note will not be immediately eligible for CREST settlement as CDIs. In such case, investors investing in the Underlying Notes through CDIs will only receive the CDIs after such temporary Global Note is exchanged for a permanent Global Note, which could take up to 40 days after the issue of the Notes. It is anticipated that Notes eligible for CREST settlement as CDIs will be represented upon issue by a permanent Global Note.

## 12. IMPORTANT LEGAL INFORMATION

The following section contains important legal information regarding the basis on which this Base Prospectus may be used and certain other important matters.

## IMPORTANT LEGAL INFORMATION

This Base Prospectus has been prepared on a basis that permits a "**Public Offer**" (in this context meaning an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) in circumstances where there is no exemption from the obligation under Article 3.2 of the Prospectus Directive to publish a prospectus, and which shall include any subsequent resale or final placement thereof by financial intermediaries) in the Public Offer Jurisdiction(s) (as defined below). Any person making or intending to make a Public Offer of Notes on the basis of this Base Prospectus as completed by the relevant Final Terms must do so only with the consent of the Issuer and the Guarantors. See "*Consent given in accordance with Article 3.2 of the Prospectus Directive*" below.

As at the date of this Base Prospectus, "**Public Offer Jurisdiction(s)**") means the United Kingdom.

At any time during the period of 12 months following the date of this Base Prospectus, the Issuer and the Guarantors may request that the FCA notifies the competent authority of any other Member State of the European Economic Area which has implemented the Prospectus Directive that this Base Prospectus has been drawn up in accordance with the Prospectus Directive pursuant to the procedures set out in Articles 17 and 18 thereof (each such Member State, a "**Host Member State**"). Upon any such request, the Issuer and the Guarantors shall prepare and publish a supplement to this Base Prospectus identifying any Host Member States so notified, and references herein to Public Offer Jurisdiction(s) shall thereupon include any such Host Member States.

### **Consent given in accordance with Article 3.2 of the Prospectus Directive**

In the context of any Public Offer of Notes, the Issuer accepts responsibility for the contents of this Base Prospectus and the relevant Final Terms, and each Guarantor accepts responsibility for the information in relation to itself set out in this Base Prospectus in Section 2 (*Risk Factors*) in relation to the risks relating to the Group (as defined below) and its business; Section 6 (*Description of the Original Guarantors*); Section 7 (*Selected Financial Information of the Original Guarantors*); Section 8 (*Information Incorporated by Reference*); Section 15 (*Additional Information*); and in relation to the Guarantee set out in Appendix B (*Terms and Conditions of the Notes*), in each case in the Public Offer Jurisdiction(s), under section 90 of the FSMA in relation to any person (an "**Investor**") to whom a Public Offer of Notes is made by an Authorised Offeror (as defined below), where such offer is made in compliance with all the conditions attached to the giving of the consent to the Authorised Offeror. Such consent and the attached conditions are described below under "*Basis of Consent*".

**Except in the circumstances described below, none of the Issuer, the Guarantors and any Dealer has authorised the making of any Public Offer by any person and neither the Issuer nor any Guarantor has consented to the use of this Base Prospectus or any Final Terms by any other person in connection with any offer of Notes in any jurisdiction. Any offer made without the consent of the Issuer and the Guarantors is unauthorised and none of the Issuer, the Guarantors and any Dealer accepts any responsibility or liability in relation to such offer.**

If, in the context of a Public Offer, an Investor is offered Notes by a person who is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of section 90 of the FSMA in the context of such Public Offer and, if so, who that person is. If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

### **Basis of Consent**

In connection with each Tranche of Notes, subject to the conditions set out below and to the conditions set out under "*Common Conditions to Consent*" below:

- (a) if the Basis of Consent is specified as being "Specific Consent" in the relevant Final Terms, the Issuer and the Guarantors consent to the use of this Base Prospectus (as supplemented at the relevant time, if applicable) and the relevant Final Terms in connection with a Public Offer of such Notes in the Public Offer Jurisdiction(s) during the relevant Offer Period specified in the relevant Final Terms by:
  - (i) the relevant Dealer(s);

- (ii) any financial intermediary specified in the relevant Final Terms as being an Initial Authorised Offeror; and
  - (iii) any other financial intermediary appointed after the date of publication of the relevant Final Terms and whose name is published on the Issuer's website (at [www.icgplc.com](http://www.icgplc.com)) in respect of, and at the time such financial intermediary makes, the relevant Public Offer; and
- (b) if the Basis of Consent is specified as being "General Consent" in the relevant Final Terms, the Issuer and the Guarantors offer their consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) and the relevant Final Terms in connection with a Public Offer of such Notes in the Public Offer Jurisdiction(s) during the relevant Offer Period specified in the relevant Final Terms by: (i) the relevant Dealer(s), and (ii) any financial intermediary which satisfies the Authorised Offeror Terms as set out below. The "**Authorised Offeror Terms**" are that the relevant financial intermediary represents and agrees throughout the relevant Offer Period that it:
- (A) is authorised to make such offers under MiFID (in which regard, Investors should consult the register of authorised entities maintained by the FCA at [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register)) (MiFID governs the organisation and conduct of the business of investment firms and the operation of regulated markets across the European Economic Area in order to seek to promote cross-border business, market transparency and the protection of investors);
  - (B) will act in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**"), including the Rules published by the FCA (including its guidance for distributors in "*The Responsibilities of Providers and Distributors for the Fair Treatment of Customers*") from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor;
  - (C) will comply with the restrictions set out under Section 9 (*Subscription and Sale*) in this Base Prospectus which would apply as if the relevant financial intermediary were a Dealer;
  - (D) will ensure that any fee, commissions or benefits of any kind or rebates received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and is fully and clearly disclosed to Investors or potential Investors;
  - (E) will hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules, including authorisation under the FSMA and/or the Financial Services Act 2012;
  - (F) will comply with applicable anti-money laundering, anti-bribery, prevention of corruption and "know your client" Rules, and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
  - (G) will retain investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the Dealers and the Issuer and/or any Guarantor or directly to the appropriate authorities with jurisdiction over the Issuer, the Guarantors and/or the Dealers in order to enable the Issuer, the Guarantors and/or the Dealers to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applicable to them;
  - (H) will not, directly or indirectly, cause the Issuer, the Guarantors or any Dealer to breach any Rule or subject the Issuer, the Guarantors or any Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

- (I) agrees and undertakes to indemnify the Issuer, the Guarantors and each Dealer (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the Issuer, the Guarantors or the Dealers;
- (J) will immediately give notice to the Issuer, the Guarantors and the relevant Dealers if at any time such Authorised Offeror becomes aware or suspects that they are or may be in violation of any Rules or the terms of these Authorised Offeror Terms, and take all appropriate steps to remedy such violation and comply with such Rules and these Authorised Offeror Terms in all respects;
- (K) will not give any information other than that contained in this Base Prospectus (as may be amended or supplemented by the Issuer and/or Guarantors from time to time) as completed by the relevant Final Terms or make any representation in connection with the offering or sale of, or the solicitation of interest in, any Notes;
- (L) agrees that any communication in which it attaches or otherwise includes any announcement published by the Issuer or any Guarantor *via* a Regulatory News Service announcement at the end of the Offer Period will be consistent with the Base Prospectus as completed by the relevant Final Terms, and (in any case) must be fair, clear and not misleading and in compliance with the Rules and must state that such Authorised Offeror has provided it independently from the Issuer and Guarantors and must expressly confirm neither the Issuer nor the Guarantors have accepted any responsibility for the content of any such communication;
- (M) will not use the legal or publicity names of any Dealer, the Issuer, any Guarantor or any other name, brand or logo registered by any entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Notes; and
- (N) agrees and accepts that:
  - (1) the contract between the Issuer, the Guarantors and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's and Guarantors' offer to use this Base Prospectus and the relevant Final Terms with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;
  - (2) the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly submits to the exclusive jurisdiction of the courts of England and Wales; and
  - (3) each of the Dealers will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b)(ii) above are together referred to herein as the "**Authorised Offerors**".

**Any financial intermediary falling within sub-paragraph (b) above who wishes to use this Base Prospectus in connection with a Public Offer as set out above is required, for the duration of the relevant Offer Period, to publish on its website that it is using this Base Prospectus for such Public Offer in accordance with the consent of the Issuer and the Guarantors and the conditions attached thereto in the following form (with the information in square brackets completed with the relevant information):**

"We, [*insert legal name of financial intermediary*], refer to the [*insert details of the relevant Notes*] (the "**Notes**") described in the Base Prospectus dated 28 February 2014 and the relevant Final Terms dated [*specify date*] (together, the "**Base Prospectus**") published by Intermediate Capital Group plc (the "**Issuer**"). In consideration of the Issuer and the Guarantors named in the Base Prospectus offering their consent to our use of the Base Prospectus in connection with the offer of the Notes in [*relevant Member State (s), as specified in the relevant Final Terms*] (the "**Public Offer**") in accordance with the Authorised Offeror Terms and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept such offer and confirm that we are using the Base Prospectus in connection with the Public Offer accordingly. Term used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus."

#### **Common Conditions to Consent**

The conditions to the Issuer's and Guarantors' consent (in addition to the conditions described in sub-paragraph (b) above if the applicable Final Terms specifies "General Consent" as being applicable) are that such consent:

- (a) is only valid in respect of the relevant Tranche of Notes;
- (b) is only valid during the Offer Period specified in paragraph 8(vii) of Part B of the relevant Final Terms;
- (c) only extends to the use of this Base Prospectus (as supplemented at the relevant time, if applicable) and the relevant Final Terms to make Public Offers of the relevant Tranche of Notes in the Public Offer Jurisdiction(s) as specified in paragraph 8(vii) of Part B of the relevant Final Terms; and
- (d) is subject to any other conditions set out in paragraph 8(vii) of Part B of the relevant Final Terms.

The consent referred to above relates to Offer Periods occurring within 12 months from the date of this Base Prospectus.

To the extent specified in the relevant Final Terms, a Public Offer may only be made during the relevant Offer Period by any of the relevant Dealers or any other relevant Authorised Offeror in the relevant Public Offer Jurisdiction(s) and subject to any relevant conditions, in each case all as specified above and/or in the relevant Final Terms.

Other than as set out above, none of the Issuer, any Guarantor and any Dealer has authorised the making of any Public Offer by any person in any circumstances and such person is not permitted to use this Base Prospectus or any Final Terms in connection with any offer of Notes. Any such offers are not made on behalf of the Issuer, the Guarantors, the Arranger or by any of the Dealers or other Authorised Offerors and none of the Issuer, any Guarantor, the Arranger, the Dealers and any other Authorised Offeror has any responsibility or liability for the actions of any person making such offers.

#### **Arrangements between the Investor and the financial intermediaries who will distribute Notes under the Programme**

An investor intending to acquire or acquiring any Notes in a Public Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and



such Investor including as to price, allocations and settlement arrangements (the "**Terms and Conditions of the Public Offer**"). Neither the Issuer nor any Guarantor will be a party to any such arrangements in connection with the offer or sale of any Notes and, accordingly, this Base Prospectus does not contain such information.

**THE TERMS AND CONDITIONS OF THE PUBLIC OFFER WILL BE PROVIDED BY THE RELEVANT AUTHORISED OFFEROR TO THE INVESTOR AT THE TIME OF SUCH OFFER.**

None of the Issuer, the Guarantors, the Arranger and any Dealer or other Authorised Offeror has any responsibility or liability for any information regarding the Terms and Conditions of the Public Offer provided to an investor by any Authorised Offeror or for any of the actions of any other Authorised Offeror at any time, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer or sale.

**Public Offers: Issue Price and Offer Price**

Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the relevant Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer(s) at the time of the relevant Public Offer and will depend, amongst other things, on prevailing market conditions at that time. The offer price at which the Authorised Offeror will offer such Notes to the Investor will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Notes to such Investor. Neither the Issuer nor any Guarantor will be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Notes to such Investor.

**Notice to potential investors**

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of any investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has 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 into this Base Prospectus (and any applicable supplement to this Base Prospectus) or relevant Final Terms;
- (b) has 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;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Notes and is familiar with the behaviour of the financial markets; and
- (e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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

Neither the publication of this Base Prospectus nor the offering, sale or delivery of the Notes shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantors since the date of this Base Prospectus or that there has been no adverse change in the financial position of the Issuer or the Guarantors since the date of this Base Prospectus 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. None of the Arranger, any of the Dealers or the Trustee undertakes to review the financial condition or affairs of the Issuer or the Guarantors during the life of the Notes to be issued under the Programme, or to advise any investor in the Notes of any information coming to their attention.

Neither this Base Prospectus nor any other information supplied in connection with the offering of any Notes should be considered as a recommendation by the Issuer, any Guarantor, any Dealer or the Trustee that any recipient of this Base Prospectus or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and any purchase of Notes should be based upon such investigation as it deems necessary.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Guarantors, the Arranger and the Dealers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see Section 9 (*Subscription and Sale*)).

#### **The Arranger, the Dealers and the Trustee**

None of the Arranger, the Dealers and the Trustee has independently verified or confirmed the information contained in this Base Prospectus. No representation, warranty or undertaking, express or implied, is made by the Arranger, the Dealers or the Trustee as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer or Guarantors in connection with the offering of any Notes. Neither the Arranger, the Dealers nor the Trustee accepts liability in relation to the information contained in this Base Prospectus or any other information provided by the Issuer or Guarantors in connection with the offering of any Notes or their distribution.

The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, or the Guarantors and their affiliates in the ordinary course of business.

#### **No incorporation of websites**

In this Base Prospectus, reference to websites or uniform resource locators (URLs) are inactive textual references. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Base Prospectus.

#### **Stabilisation**

In connection with the issue of any Tranche of Notes, one or more relevant Dealer or Dealers (the "**Stabilising Manager(s)** ") (or any person acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that any Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days

after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) or person(s) acting on behalf of any Stabilising Manager(s) in accordance with all applicable laws and rules.

### **Forward-looking statements**

This Base Prospectus includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking expressions, including the terms '*believes*', '*estimates*', '*anticipates*', '*expects*', '*intends*', '*may*', '*will*', or '*should*' or, in each case, their negative or other variations or similar expressions, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Base Prospectus and include, but are not limited to, the following: statements regarding the intentions, beliefs or current expectations of the Issuer, the Guarantors and the Group concerning, amongst other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this Base Prospectus. In addition, even if the results of operations, financial condition and liquidity, and the development of the countries and the industries in which the Group operates, are consistent with the forward-looking statements contained in this Base Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. These and other factors are discussed in more detail under Section 2 (*Risk Factors*). Many of these factors are beyond the control of the Issuer, the Guarantors and the Group. Should one or more of these risks or uncertainties materialise, or should underlying assumptions on which the forward-looking statements are based prove incorrect, actual results may vary materially from those described in this Base Prospectus as anticipated, believed, estimated or expected. Except to the extent required by laws and regulations, the Issuer and the Guarantors do not intend, and do not assume any obligation, to update any forward-looking statements set out in this Base Prospectus.

This Base Prospectus is based on English law in effect as of the date of issue of this Base Prospectus. Except to the extent required by laws and regulations, the Issuer and the Guarantors do not intend, and do not assume any obligation, to update this Base Prospectus in light of the impact of any judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

### **CREST depository interests**

In certain circumstances, investors may also hold interests in the Notes through CREST through the issue of CDIs representing interests in Underlying Notes. CDIs are independent securities constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated). Neither the Notes nor any rights attached to the Notes will be issued, settled, held or transferred within the CREST system other than through the issue, settlement, holding or transfer of CDIs. CDI Holders will not be entitled to deal directly in the Notes and, accordingly, all dealings in the Notes will be effected through CREST in relation to the holding of CDIs. Investors should note that the CDIs are the result of the CREST settlement mechanics and are not the subject of this Base Prospectus.

## 13. USE OF PROCEEDS

The following section describes the manner in which the Issuer intends to use the proceeds from issues of Notes under the Programme.

## **USE OF PROCEEDS**

The net proceeds from the issue of each Tranche of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular Tranche, there is a particular identified use of proceeds, this will, to the extent required, be stated in the applicable Final Terms.

## 14. FORMS OF FINAL TERMS

This section contains the forms of Final Terms that the Issuer will complete when offering any Notes under the Programme. There is a form of Final Terms for Notes issued with a denomination of less than €100,000 (or its equivalent in any other currency) and a separate form of Final Terms for Notes issued with a denomination of €100,000 (or its equivalent in any other currency) or more.

## FORMS OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme which have a minimum denomination of less than €100,000 (or its equivalent in another currency).*

**Final Terms dated [ ]**

**INTERMEDIATE CAPITAL GROUP PLC**

**Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]**

**jointly and severally guaranteed by the Guarantors referred to in the Conditions**

**under the £500,000,000**

**Euro Medium Term Note Programme**

Any person making or intending to make an offer of the Notes may only do so[:

- (i) in the Public Offer Jurisdiction[s] mentioned in paragraph 8 of Part B below, provided such person is of a kind specified in that paragraph and that such offer is made during the Offer Period specified for such purpose therein; or
- (ii) otherwise] in circumstances in which no obligation arises for the Issuer, the Guarantors or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer, the Guarantors nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 28 February 2014 [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Article 5.4 of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of the Notes (which comprises the "Summary" in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus has been published on the website of [the Issuer at [www.icgplc.com](http://www.icgplc.com)] [and] [the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)] and is available for inspection upon request (free of charge) during normal business hours at the registered office of the Issuer at Juxon House, 100 St Paul's Churchyard, London EC4M 8BU and at the specified office of the Issuing and Paying Agent.

1. (i) Series Number: [ ]
- (ii) Tranche Number: [ ]

- (iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with *[original notes]* on [the Issue Date/exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in paragraph 22 below, which is expected to occur on or about *[date]*]] [Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Principal Amount:
- (i) Series: [ ]
- (ii) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]
5. (i) Specified Denomination(s): [ ]
- (ii) Calculation Amount: [ ]
6. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ]/Issue Date/Not Applicable]
7. Maturity Date: [[ ]/Interest Payment Date falling in or nearest to [ ]]
8. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] +/- [ ] per cent. Floating Rate]  
[Zero Coupon]
- (further particulars specified in paragraph [13] [14] [15] below)
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their principal amount.
10. Change of Interest Basis: [[ ]/Not Applicable]
11. Put/Call options: [Issuer Call Option]  
[Investor Put Option]  
[Change of Control Put Option]
- [(further particulars specified in paragraph [17] [18] [19] below)]
- [Not Applicable]
12. Date of Board [and Committee] approval for issuance of Notes obtained: [ ] [and [ ]], respectively]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date



- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/Not Applicable]
- (v) Day Count Fraction: [30/360] [Actual/Actual-ICMA]
- (vi) Determination Date(s): [[ ] in each year] [Not Applicable]
14. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (i) Interest Period(s): [ ]
- (ii) Specified Interest Payment Dates: [[ ] [and [ ]] in each year, subject to adjustment in accordance with the Business Day Convention set out in (v) below]
- (iii) First Interest Payment Date: [ ]
- (iv) Interest Period Date: [ ] [Not Applicable]
- (v) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (vi) Additional Business Centre(s): [ ] [Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Issuing and Paying Agent): [ ] [Not Applicable]
- (ix) Screen Rate Determination:
- Reference Rate: [ ] month [LIBOR/EURIBOR]
  - Interest Determination Date(s): [ ]
  - Relevant Screen Page: [ ]
- (x) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
  - ISDA Definitions: [2006 ISDA Definitions] [ ]
- (xi) Margin(s): [+/-] [ ] per cent. per annum
- (xii) Minimum Rate of Interest: [[ ] per cent. per annum/Not Applicable]

- (xiii) Maximum Rate of Interest: [[ ] per cent. per annum/Not Applicable]
- (xiv) Day Count Fraction: [Actual/Actual] [Actual/Actual - ISDA]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360] [360/360] [Bond Basis]  
 [30E/360] [Eurobond Basis]  
 [30E/360 (ISDA)]
15. Zero Coupon Note Provisions: [Applicable/Not Applicable]
- (i) Amortisation Yield: [ ] per cent. per annum
- (ii) Day Count Fraction in relation to Early Redemption Amounts: [Actual/Actual] [Actual/Actual - ISDA]  
 [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360] [360/360] [Bond Basis]  
 [30E/360] [Eurobond Basis]  
 [30E/360 (ISDA)]

#### PROVISIONS RELATING TO REDEMPTION

16. Notice Periods for Condition 5(c): Minimum Period: [30] [ ] days  
 Maximum Period: [60] [ ] days
17. Call Option (Condition 5(d)): [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]/[Any date from and including [ ] to but excluding [ ]]
- (ii) Optional Redemption Amount(s): [[ ] per Calculation Amount/Make-whole Amount]
- (a) Condition 5(b) applies: [Applicable/Not Applicable]
- (b) Make-whole Amount: [Applicable/Not Applicable]
- Quotation Time: [ ]
- Determination Date: [ ]
- Reference Bond: [ ]
- Redemption Margin: [[ ] per cent.] [None]
- (iii) If redeemable in part: [Applicable/Not Applicable]
- (a) Minimum Redemption Amount: [ ] per Calculation Amount
- (b) Maximum Redemption Amount: [ ] per Calculation Amount
- (iv) Notice periods for Condition 5(d): Minimum Period: [15] [ ] days  
 Maximum Period: [30] [ ] days

18. Put Option (Condition 5(e)): [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s): [ ] per Calculation Amount
- Condition 5(b) applies: [Applicable/Not Applicable]
- (iii) Notice periods for Condition 5(e): Minimum Period: [15] [ ] days  
Maximum Period: [30] [ ] days
19. Change of Control Put Option (Condition 5(f)): [Applicable/Not Applicable]
- Change of Control Redemption Amount: [ ] per Calculation Amount
20. Final Redemption Amount: [ ] per Calculation Amount
21. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

22. (a) Form of Notes: [Temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]
- (b) New Global Note: [Yes] [No]
23. Financial Centre(s): [Not Applicable/[ ]]
24. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made./No]

Signed on behalf of Intermediate Capital Group plc:

By: .....

*Duly authorised*

Signed on behalf of [GUARANTORS]:

By: .....

*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

[Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the UK Listing Authority and admitted to trading on the [order book for retail bonds (ORB) segment of the] [regulated market of the London Stock Exchange] with effect from [ ].] [Not Applicable]

### 2. RATINGS

[The Notes to be issued [have been/are expected to be] assigned the following ratings]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]:

[Standard & Poor's Credit Market Services Europe Limited: [ ]]

[Fitch Ratings Limited: [ ]]

[As defined by [Standard & Poor's Credit Market Services Europe Limited/Fitch Ratings Limited], a rating of [ ] means [ ].]

[The Notes have not been specifically rated.]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[[Save for [ ], so] [So] far as the Issuer is aware, no person involved in the issue and offer of the Notes has an interest material to the issue/offer, including conflicting interests. / So far as the Issuer is aware, the following persons have an interest material to the issue/offer: [ ]. The [Managers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business.]

### 4. REASONS FOR THE OFFER, USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer: [ ]

(ii) Use of proceeds: [ ]

(iii) Estimated net proceeds: [ ]

(iv) Estimated total expenses: [ ]

### 5. [YIELD - Fixed Rate Notes only

Indication of yield: Calculated as [ ] per cent. per annum on the Issue Date. Yield is not an indication of future price.]]

[Not Applicable]

### 6. [HISTORIC INTEREST RATES - Floating Rate Notes only

Details of historic [LIBOR/EURIBOR] rates can be obtained from [<http://www.bbalibor.com/rates/historical/>] / [<http://www.euribor-ebf.euleuribor-org/euribor-rates.html>] / [ ] [Not Applicable]

7. **OPERATIONAL INFORMATION**

- (i) ISIN Code: [ ]
- (ii) Common Code: [ ]
- (iii) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, *société anonyme* and the relevant identification number(s): [Not Applicable/[ ]]  
[The Notes will settle in Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*. The Notes will also be made eligible for CREST via the issue of CDIs representing the Notes.]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/[ ]]

8. **DISTRIBUTION**

- (i) Names and addresses of underwriters and underwriting commitments: [Not Applicable/[ ] (the "[**Managers**]")]
- (ii) Date of underwriting/subscription agreement: [ ]
- (iii) Material features of underwriting/subscription agreement, including quotas: [ ]
- (iv) Portion of issue/offer not covered by underwriting commitments: [ ]
- (v) Indication of the overall amount of the underwriting commission and of the placing commission: [[ ] per cent. of the Aggregate Principal Amount]/[ ]
- (vi) U.S. Selling Restrictions (Categories of potential investors to which the Notes are offered): Reg. S Compliance Category 2; [TEFRA C Rules/TEFRA D Rules/TEFRA not applicable]
- (vii) Public Offer and basis of consent for use of the Base Prospectus:
- (a) Public Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [ ]] (together [with the Managers], the "**Initial Authorised Offerors**") [and any other Authorised Offerors in accordance with paragraph 9(xii) below] [and any other financial intermediary for the time being complying with (x) the Authorised Offeror Terms [and] (y) the other conditions attaching to the consent set out in the Base Prospectus [and] (z) [ ]]] other than pursuant to Article 3.2 of the Prospectus Directive in [ ] (the "**Public Offer Jurisdiction[s]**") during the period from [ ] [a.m./p.m.] until [ ] [a.m./p.m.] on [ ] (the "**Offer Period**"). See further paragraph 9(xii) below.]
- (b) Basis of Consent: [Specific Consent] [and] [General Consent]

9. **[TERMS AND CONDITIONS OF THE OFFER**

- (i) Offer Price: [Issue Price/Not Applicable/[ ]]
- (ii) Conditions to which the offer is subject: [Not Applicable/[ ]]
- (iii) Description of the application process: [Not Applicable/[ ]]
- (iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/[ ]]
- (v) Details of the minimum and/or maximum amount of application: [Not Applicable/[ ]]
- (vi) Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/[ ]]
- (vii) Manner in and date on which results of the offer are to be made public: [Not Applicable/[ ]]
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/[ ]]
- (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: [Not Applicable/[ ]]
- (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not Applicable/[ ]]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/[ ]]
- (xii) Name(s) and address(es), to the extent known to the Issuer and the Guarantors, of the placers in the various countries where the offer takes place: [The Initial Authorised Offerors identified in paragraph 8(vii) above [and any additional financial intermediaries who have or obtain the Issuer's consent to use the Base Prospectus in connection with the Public Offer and who are identified [on the Issuer's website (<http://www.icgplc.com/investments>)] [by the Issuer by way of RNS announcement during the Offer Period] as being Authorised Offerors (together, the "**Authorised Offerors**").] [As of the date of these Final Terms, the persons listed below are the persons known to the Issuer and the Guarantors who intend to offer the Notes to the public in [*relevant Member State(s)*] in accordance with all prevailing regulatory requirements during the Offer Period:

[ ]

[Each of the Issuer and the Guarantors has granted consent to the use of the Base Prospectus and these Final Terms by the persons listed above and other relevant stockbrokers and financial intermediaries in [*relevant Member State(s)*] during the Offer Period on the basis of and so long as, in either case, they comply with the Authorised Offeror Terms, the other conditions to the consent set out in the Base Prospectus [and the other conditions set out under paragraph 8(vii) above].]

- (xiii) Name(s) and address(es) of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of its/their commitment: [[ ] will be appointed as registered market maker[s] [through the London Stock Exchange's order book for retail bonds (ORB) when the Notes are issued].]

10. **[THIRD PARTY INFORMATION]**

[ ] has been extracted from [ ]. The Issuer and Guarantors confirm that such information has been accurately reproduced and that, so far as each is aware, and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.] [Not Applicable]

**ANNEX TO FINAL TERMS - SUMMARY OF THE NOTES**

*[Base Prospectus "Summary" to be inserted and the options given as placeholders in the "Summary" to be completed in respect of the Notes being issued]*



Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme which have a minimum denomination of at least €100,000 (or its equivalent in another currency).

Final Terms dated [ ]

INTERMEDIATE CAPITAL GROUP PLC

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]

jointly and severally guaranteed by the Guarantors referred to in the Conditions

under the £500,000,000

Euro Medium Term Note Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Base Prospectus dated 28 February 2014 [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus (the "Base Prospectus") for the purposes of Article 5.4 of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of the Notes (which comprises the "Summary" in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus has been published on the website of [the Issuer at [www.icgplc.com](http://www.icgplc.com)] [and] [the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)] and is available for inspection upon request (free of charge) during normal business hours at the registered office of the Issuer at Juxon House, 100 St Paul's Churchyard, London EC4M 8BU and at the specified office of the Issuing and Paying Agent.

The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

1. (i) Series Number: [ ]  
(ii) Tranche Number: [ ]  
(iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with [original notes] on [the Issue Date/exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in paragraph 22 below, which is expected to occur on or about [date]]] [Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Principal Amount:  
(i) Series: [ ]  
(ii) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]

5. (i) Specified Denomination(s): [ ] [[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]
- (ii) Calculation Amount: [ ]
6. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ]/Issue Date/Not Applicable]
7. Maturity Date: [[ ]/Interest Payment Date falling in or nearest to [ ]]
8. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] +/- [ ] per cent. Floating Rate]  
[Zero Coupon]
- (further particulars specified in paragraph [13] [14] [15] below)
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their principal amount.
10. Change of Interest Basis: [[ ]/Not Applicable]
11. Put/Call options: [Issuer Call Option]  
[Investor Put Option]  
[Change of Control Put Option]
- (further particulars specified in paragraph [17] [18] [19] below)
- [Not Applicable]
12. Date of Board [and Committee] approval for issuance of Notes obtained: [ ] [and [ ], respectively]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/Not Applicable]
- (v) Day Count Fraction: [30/360] [Actual/Actual-ICMA]
- (vi) Determination Date(s): [[ ] in each year] [Not Applicable]

14. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (i) Interest Period(s): [ ]
- (ii) Specified Interest Payment Dates: [[ ] [and [ ]] in each year, subject to adjustment in accordance with the Business Day Convention set out in (v) below]
- (iii) First Interest Payment Date: [ ]
- (iv) Interest Period Date: [ ] [Not Applicable]
- (v) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (vi) Additional Business Centre(s): [ ] [Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Issuing and Paying Agent): [ ] [Not Applicable]
- (ix) Screen Rate Determination:
- Reference Rate: [ ] month [LIBOR/EURIBOR]
  - Interest Determination Date(s): [ ]
  - Relevant Screen Page: [ ]
- (x) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]
  - ISDA Definitions: [2006 ISDA Definitions] [ ]
- (xi) Margin(s): [+/-] [ ] per cent. per annum
- (xii) Minimum Rate of Interest: [[ ] per cent. per annum/Not Applicable]
- (xiii) Maximum Rate of Interest: [[ ] per cent. per annum/Not Applicable]
- (xiv) Day Count Fraction: [Actual/Actual] [Actual/Actual - ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]

15. Zero Coupon Note Provisions: [Applicable/Not Applicable]
- (i) Amortisation Yield: [ ] per cent. per annum
- (ii) Day Count Fraction in relation to Early Redemption Amounts: [Actual/Actual] [Actual/Actual - ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]

**PROVISIONS RELATING TO REDEMPTION**

16. Notice Periods for Condition 5(c): Minimum Period: [30] [ ] days  
Maximum Period: [60] [ ] days
17. Call Option (Condition 5(d)): [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]/[Any date from and including [ ] to but excluding [ ]]
- (ii) Optional Redemption Amount(s): [[ ] per Calculation Amount/Make-whole Amount]
- (a) Condition 5(b) applies: [Applicable/Not Applicable]
- (b) Make-whole Amount: [Applicable/Not Applicable]
- Quotation Time: [ ]
- Determination Date: [ ]
- Reference Bond: [ ]
- Redemption Margin: [[ ] per cent.] [None]
- (iii) If redeemable in part: [Applicable/Not Applicable]
- (a) Minimum Redemption Amount: [ ] per Calculation Amount
- (b) Maximum Redemption Amount: [ ] per Calculation Amount
- (iv) Notice periods for Condition 5(d): Minimum Period: [15] [ ] days  
Maximum Period: [30] [ ] days
18. Put Option (Condition 5(e)): [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s): [ ] per Calculation Amount
- Condition 5(b) applies: [Applicable/Not Applicable]
- (iii) Notice periods for Condition 5(e): Minimum Period: [15] [ ] days  
Maximum Period: [30] [ ] days

19. Change of Control Put Option (Condition 5(f)): [Applicable/Not Applicable]  
Change of Control Redemption Amount: [ ] per Calculation Amount
20. Final Redemption Amount: [ ] per Calculation Amount
21. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

22. (a) Form of Notes: [Temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]  
[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]  
[Permanent Global Note exchangeable for Definitive Notes only in the limited circumstances specified in the permanent Global Note]
- (b) New Global Note: [Yes] [No]
23. Financial Centre(s): [Not Applicable/[ ]]
24. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made./No]

Signed on behalf of Intermediate Capital Group plc:

By: .....

*Duly authorised*

Signed on behalf of [GUARANTORS]:

By: .....

*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the UK Listing Authority and admitted to trading on the regulated market of the London Stock Exchange with effect from [ ].

### 2. RATINGS

[The Notes to be issued [have been/are expected to be] assigned the following ratings]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]:

[Standard & Poor's Credit Market Services Europe Limited: [ ]]

[Fitch Ratings Limited: [ ]]

[The Notes have not been specifically rated.]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[[Save for [ ], so] [So] far as the Issuer is aware, no person involved in the issue and offer of the Notes has an interest material to the issue/offer, including conflicting interests. / So far as the Issuer is aware, the following persons have an interest material to the issue/offer: [ ]. The [Managers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business.]

### 4. EXPENSES RELATED TO ADMISSION TO TRADING

Estimated total expenses: [ ]

### 5. [YIELD - Fixed Rate Notes only

Indication of yield: Calculated as [ ] per cent. per annum on the Issue Date. Yield is not an indication of future price.]]

[Not Applicable]

### 6. OPERATIONAL INFORMATION

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

(iii) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, *société anonyme* and the relevant identification number(s): [Not Applicable/[ ]]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/[ ]]

### 7. U.S. SELLING RESTRICTIONS

Reg. S Compliance Category 2; [TEFRA C Rules/TEFRA D Rules/TEFRA not applicable]

8. **[THIRD PARTY INFORMATION]**

[ ] has been extracted from [ ]. The Issuer and Guarantors confirm that such information has been accurately reproduced and that, so far as each is aware, and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.] [Not Applicable]

**ANNEX TO FINAL TERMS - SUMMARY OF THE NOTES**

*[Base Prospectus "Summary" to be inserted and the options given as placeholders in the "Summary" to be completed in respect of the Notes being issued]*



## 15. **ADDITIONAL INFORMATION**

You should be aware of a number of other matters that may not have been addressed in detail elsewhere in this Base Prospectus.

## ADDITIONAL INFORMATION

1. It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's regulated market and, where relevant, through the ORB will be admitted separately as and when issued, subject only to the issue of a temporary Global Note or permanent Global Note in respect of each Tranche. The listing of the Programme in respect of Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus is expected to be granted on or about 4 March 2014. Prior to official listing and admission to trading, dealings in Notes will be permitted by the London Stock Exchange in accordance with its rules. Transactions on the London Stock Exchange's regulated market will normally be effected for delivery on the third working day after the day of the transaction.

The London Stock Exchange's regulated market is a regulated market for the purposes of MiFID.

2. Each of the Issuer and the Original Guarantors has obtained all necessary consents, approvals and authorisations in England and Wales in connection with the issue and performance of Notes to be issued under the Programme and the giving of the Guarantee, as applicable. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 26 February 2014. Issues of Notes under the Programme will be authorised by resolutions of a committee of the Board of Directors from time to time. The giving of the Guarantee by ICIL has been authorised by a resolution of the Board of Directors of ICIL passed on 26 February 2014. The giving of the Guarantee by ICML has been authorised by a resolution of the Board of Directors of ICML passed on 26 February 2014. The giving of the Guarantee by IIL has been authorised by a resolution of the members of the partnership passed on 26 February 2014.
3. There has been no significant change in the financial or trading position of the Issuer or the Group since 30 September 2013 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 March 2013.

There has been no significant change in the financial or trading position of ICIL and no material adverse change in the prospects of ICIL since 31 March 2013.

There has been no significant change in the financial or trading position of ICML and no material adverse change in the prospects of ICML since 31 March 2013.

There has been no significant change in the financial or trading position of IIL and no material adverse change in the prospects of IIL since 31 March 2013.

4. The Notes, Coupons and Talons will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
5. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). Interests in the Notes may also be held through CREST through the issuance of CDIs representing the Underlying Notes. The appropriate Common Code and International Securities Identification Number ("**ISIN**") for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels; the address of Clearstream, Luxembourg is Clearstream Banking, *société anonyme*, 42 Avenue JF Kennedy, L-1855 Luxembourg; and the address of CREST is Euroclear UK & Ireland, 33 Cannon Street, London EC4M 5SB.

6. There are no material contracts entered into other than in the ordinary course of the Group's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's or any Guarantor's ability to meet its obligations in respect of Notes to be issued under the Programme.
7. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer and/or the Guarantors are aware) in the 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer, the Guarantors and/or the Group.
8. Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer and the Guarantors are aware and are able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
9. For the period of 12 months following the date of this Base Prospectus, copies of the following documents will be available for inspection upon request (free of charge) during normal business hours at the registered office of the Issuer at Juxon House, 100 St Paul's Churchyard, London EC4M 8BU and at the specified office of the Issuing and Paying Agent:
  - (a) the Articles of Association of the Issuer, ICIL and ICML and the constitutive documents of IIL;
  - (b) the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
  - (c) any documents incorporated by reference into this Base Prospectus from time to time;
  - (d) this Base Prospectus; and
  - (e) any future offering circulars, prospectuses, information memoranda and supplements to this Base Prospectus and any Final Terms.

This Base Prospectus and Final Terms relating to listed Notes will also be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>. The contents of the website of the Regulatory News Service operated by the London Stock Exchange shall not form part of this Base Prospectus.

10. The auditors of the Issuer and the Guarantors are Deloitte LLP, a member of the Institute of Chartered Accountants in England and Wales, who have audited (i) the consolidated financial statements of the Issuer, without qualification, in accordance with International Financial Reporting Standards and (ii) the financial statements of each of the Original Guarantors, without qualification, in accordance with UK GAAP, in each case for the financial years ended 31 March 2013 and 31 March 2012.
12. The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions.

## **APPENDIX A – DEFINED TERMS**

This section contains a glossary of certain technical terms used in this Base Prospectus as well as an index of defined terms.

## GLOSSARY

"**mezzanine finance**" or "**mezzanine debt**" – this refers to money being provided to companies as subordinated debt or preferred equity instruments. It represents a claim on a company's assets which ranks ahead of the rights of equity holders but behind other parties, including any senior lenders.

"**leveraged credit**" or "**leveraged finance**" – this refers to the provision of loans or other forms of credit companies to fund their borrowing needs. These are often made at a higher rate of interest to reflect a higher risk of default by the borrower.

"**leveraged buy-out debt**" – this is leveraged credit which is used specifically to fund the acquisition of a company or part of it, either by a management team or by a third party. Assets of the acquired company will usually be used as collateral for loans.

"**collateralised debt obligation**" or "**CDO**" – investment grade securities backed by a pool of non-mortgage based bonds, loans or other assets. CDO values and payment are derived from a portfolio of fixed income underlying assets.

"**senior finance**" or "**senior loans**" – a debt financing obligation of a company under which the lender holds legal claim to the borrower's assets above all other debt obligations. The loan is considered senior to all other claims against the borrower, which means that in the event of a bankruptcy the senior bank loan is the first to be repaid, before all other interested parties receive repayment. They are usually secured against the assets of the borrower.

"**high yield bonds**" – a type of sub investment grade bond that typically has a higher risk of default but pays higher yields.

"**sub-investment grade investments**" – a loan made to a borrower with a lower credit rating, as determined by one or more rating agency.

## INDEX OF DEFINED TERMS

The following is an index that indicates the location in this Base Prospectus where certain capitalised terms have been defined.

	Page
2010 PD Amending Directive .....	66
30/360.....	128
30E/360 .....	128
30E/360 (ISDA) .....	129
360/360.....	128
Actual/360 .....	128
Actual/365 (Fixed).....	128
Actual/365 (Sterling) .....	128
Actual/Actual.....	128
Actual/Actual - ISDA .....	128
Actual/Actual-ICMA .....	129
Agency Agreement .....	120
Alternative Clearing System.....	147
Authorised Offeror Contract.....	81
Authorised Offeror Terms .....	80
Authorised Offerors.....	2, 82
Authorised Signatory.....	141
Bank .....	136
Base Prospectus .....	i
BBB-.....	30
Bond Basis.....	128
business day.....	138
Business Day .....	127
Calculation Agent.....	124
Calculation Agent(s).....	120
Calculation Period .....	127
CDI Holders .....	27
CDIs .....	9, 27, 151
CDO .....	40, 111

CGN .....	147
Change of Control .....	134
Change of Control Period.....	136
Change of Control Put Date.....	135
Change of Control Put Event.....	134
Change of Control Put Event Notice .....	135
Change of Control Put Notice .....	135
Change of Control Put Period.....	135
Clearstream, Luxembourg .....	9
Code .....	15, 24
collateralised debt obligation.....	111
commercially reasonable evidence.....	151
Common Depository.....	147
Common Safekeeper .....	147
Conditions .....	120
Couponholders.....	120
Coupons.....	5, 120
CRA Regulation .....	ii, 5
CREST .....	9, 27, 151
CREST Deed Poll.....	27, 151
CREST Depository.....	27, 151
CREST Depository Interests .....	151
CREST International Settlement Links Service .....	27
CREST Manual .....	27, 76
CREST Nominee.....	27, 75
CREST Rules .....	27, 76
D <sub>1</sub> .....	128, 129
D <sub>2</sub> .....	128, 129
Day Count Fraction .....	127
Dealer .....	i
Dealer Agreement.....	65
Dealers.....	i, 9

Debt .....	123
Definitive Notes .....	148
Designated Maturity .....	124
Determination Date .....	129
Determination Period.....	130
Director.....	46
Directors .....	46
Electronic Consent.....	150
ESMA.....	30
EU Member State .....	26
EURIBOR .....	28
Eurobond Basis.....	128
Euroclear .....	9
Euronext .....	28
Euro-zone .....	130
Events of Default.....	139
Exchange Date.....	148
Exercise Notice.....	133
Facility Agreement .....	122
FATCA.....	15, 24
FATCA Agreement .....	72
FCA .....	i
Final Terms.....	i, 9
Financial Adviser .....	133
Financial Centres.....	138
Financial Instruments and Exchange Act .....	67
Financing Assets.....	123
Fitch.....	ii, 5, 29, 136
Floating Rate .....	124
Floating Rate Option .....	124
foreign passthru payments .....	73
FRC Code .....	48



FSCS.....	ii, 15, 25
FSMA.....	i
FTT.....	71
Gross Redemption Yield.....	133
Group.....	ii, 5, 39, 141
Guarantee.....	i, 121
Guarantor.....	121
Guarantors.....	121
high yield bonds.....	111
holder.....	121
Host Member State.....	79
ICG.....	i
ICG Longbow.....	40
ICIL.....	6, 120
ICML.....	7, 120
IGA.....	73
IIL.....	8, 120
interest.....	139
Interest Accrual Period.....	130
Interest Amount.....	130
Interest Commencement Date.....	130
Interest Determination Date.....	130
Interest Period.....	130
Interest Period Date.....	130
Intermediaries.....	73
Investment Grade Rating.....	134
Investor.....	79
Investor's Currency.....	29
IRS.....	72
ISDA Definitions.....	130
ISDA Determination.....	12
ISDA Rate.....	124

ISIN .....	108
Issue Date .....	120
Issuer .....	i, ii, 120
Issuing and Paying Agent .....	120
leveraged buy-out debt .....	111
leveraged credit .....	111
leveraged finance .....	111
LIBOR .....	28
London Stock Exchange .....	i
M <sub>1</sub> .....	128, 129
M <sub>2</sub> .....	128, 129
Make-whole Amount .....	13
Material Subsidiary .....	141
mezzanine debt .....	111
mezzanine finance .....	111
MiFID .....	i
Negative Rating Event .....	136
NGN .....	147
Non-Investment Grade Rating .....	134
Non-Participating FFI .....	73
Noteholder .....	121
Noteholders .....	11
Notes .....	i
offer of Notes to the public .....	66
Offer Period .....	2
Official List .....	i
ORB .....	i
Ordinary Shares .....	39
Original Guarantor .....	120
Original Guarantors .....	120
participating Member States .....	71
Paying Agents .....	120

Permitted Security Interest .....	123
Permitted Transaction.....	142
principal.....	139
Prospectus Directive.....	i, 66
Public Offer .....	2, 66, 79
Public Offer Jurisdiction(s) .....	79
Rate of Interest .....	130
Rating Agency.....	136
Recalcitrant Holder.....	73
Reference Banks.....	130
Reference Bond .....	13
Reference Rate .....	130
Relevant Announcement Date.....	134
Relevant Date .....	139
relevant Dealer .....	i
Relevant Implementation Date.....	66
Relevant Jurisdiction .....	132
Relevant Member State .....	66
Relevant Potential Change of Control Announcement.....	136
Relevant Screen Page .....	130
Reset Date.....	124
Rules.....	80
S&P .....	ii, 5, 29, 136
Savings Directive .....	15, 26
Savings Income .....	26, 72
Screen Rate Determination.....	12
Securities Act .....	65, 84
Security.....	123
senior finance .....	111
senior loans.....	111
Series .....	9
Specified Amount.....	142

Specified Currency .....	131
Stabilising Manager(s).....	84
sub-investment grade investments.....	111
Subsidiary .....	142
Swap Transaction .....	124
Talons .....	120
TARGET Business Day .....	127
TARGET System .....	131
Terms and Conditions of the Public Offer.....	3, 83
Tranche.....	9, 120
Trust Deed .....	5, 120
Trustee .....	5, 120
UK Listing Authority .....	i
Underlying Notes .....	27, 151
unit.....	126
Y <sub>1</sub> .....	128, 129
Y <sub>2</sub> .....	128, 129

## **APPENDIX B – TERMS AND CONDITIONS OF THE NOTES**

This section sets out the text of the terms and conditions of the Notes.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of the non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by a Trust Deed (as amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**Trust Deed**") dated 28 February 2014 between Intermediate Capital Group plc (the "**Issuer**"), Intermediate Capital Investments Limited ("**ICIL**"), Intermediate Capital Managers Limited ("**ICML**") and Intermediate Investments LLP ("**IIL**") as guarantors (ICIL, ICML and IIL together, the "**Original Guarantors**" and each an "**Original Guarantor**") and Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being who are the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated 28 February 2014 has been entered into in relation to the Notes between the Issuer, the Original Guarantors, the Trustee, Deutsche Bank AG, London Branch as initial issuing and paying agent and calculation agent and the other agents named in it. The issuing and paying agent, the other paying agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent) and the "**Calculation Agent(s)**". Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during usual business hours at the principal office of the Trustee (presently at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified offices of the Paying Agents.

The Noteholders and the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes and, where applicable in the case of such Notes, talons (the "**Talons**") for further Coupons (the "**Couponholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects.

### 1. **FORM, DENOMINATION AND TITLE**

The Notes are issued in bearer form in the Specified Denomination(s) shown hereon. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note is a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown hereon.

The Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Title to the Notes and the Coupons and Talons shall pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Note, "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Note, Coupon or Talon and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2. **GUARANTEE AND STATUS**

- (a) **Guarantee:** Each Original Guarantor has pursuant to the Trust Deed guaranteed, and any further Subsidiary (as defined in Condition 9) of the Issuer which becomes a guarantor pursuant to Condition 2(e) (but excluding any Subsidiary which ceases to be a guarantor pursuant to Condition 2(d)) will, guarantee, jointly and severally, unconditionally and irrevocably, the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons (each a "**Guarantor**", and together the "**Guarantors**", and each such obligation in that respect individually and/or collectively referred to as, the "**Guarantee**").
- (b) **Status of the Notes:** The Notes and the Coupons relating to them constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and shall at all times (subject as aforesaid) rank *pari passu*, without any preference among themselves, with all other present and future unsecured and unsubordinated obligations of the Issuer but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
- (c) **Status of the Guarantee:** The obligations of each Guarantor under the Guarantee constitute direct, unconditional and (subject to the provisions of Condition 3) unsecured obligations of the relevant Guarantor and shall at all times (subject as aforesaid) rank *pari passu*, without any preference among themselves, with all other present and future unsecured and unsubordinated obligations of such Guarantor but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
- (d) **Release of Guarantors:** The Issuer may by written notice to the Trustee signed by two Authorised Signatories (as defined in Condition 9) request that a Guarantor ceases to be a Guarantor in respect of the Notes if such Guarantor is no longer providing a guarantee in respect of any Facility Agreement. Upon the Trustee's receipt of such notice, upon which the Trustee may rely without liability to any person, such Guarantor shall automatically and irrevocably be released and relieved of all its future obligations under the Guarantee and all of its future obligations as a Guarantor under the Trust Deed but without prejudice to any obligations which may have accrued prior to such release. Such notice must also contain the following certifications:
- (i) that no Event of Default or potential Event of Default is continuing or will result from the release of that Guarantor;
  - (ii) no part of the financial indebtedness in respect of which that Guarantor is or was providing a guarantee in respect of a Facility Agreement is at that time due and payable but unpaid in circumstances where a right to payment has arisen under the relevant guarantee in respect of such Facility Agreement; and
  - (iii) such Guarantor is not (or will cease to be simultaneously with such release) providing a guarantee in respect of any Facility Agreement.

Neither the Issuer nor any Guarantor will be required to execute or provide any other document in relation to any release pursuant to this Condition 2(d) but, if the Issuer requests in writing, the Trustee shall enter into any documentation in relation to the release of any Guarantor which the Issuer (acting reasonably) considers necessary or desirable and in a form satisfactory to the Trustee (acting reasonably) to evidence the release of that Guarantor, provided that, the Trustee shall not be obliged to enter into any documentation which, in the sole opinion of the Trustee, would have the effect of:

- (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or

- (ii) increasing the obligations or duties, or protections, of the Trustee in the Trust Deed, the Agency Agreement, the Notes or the Coupons.

If any Subsidiary of the Issuer released from the Guarantee as described above subsequently provides a guarantee in respect of any Facility Agreement at any time after such release, such Subsidiary of the Issuer will be required to provide a guarantee as described in Condition 2(e).

Notice of any release of a Guarantor pursuant to this Condition will be given by the Issuer to the Noteholders in accordance with Condition 15.

- (e) **Addition of Guarantors:** Without prejudice to Condition 10(c), if any Subsidiary of the Issuer provides a guarantee in respect of any Facility Agreement, the Issuer covenants that it shall procure that such Subsidiary of the Issuer shall at or prior to the date of the giving of such guarantee in respect of such Facility Agreement provide a Guarantee in respect of the Trust Deed, the Notes and the Coupons. The Issuer shall provide written notice to the Trustee of the proposed addition of such Guarantor under the relevant Facility Agreement. The Trust Deed provides that the Trustee shall agree, subject to such amendment of, or supplement to, the Trust Deed as the Trustee may require and such other conditions as are set out in the Trust Deed, but without the consent of the Noteholders or the Couponholders, to such Guarantee being provided by such new Guarantor. Subject to satisfaction of the conditions specified in the Trust Deed, the addition of a new Guarantor shall take effect on the same date that the addition of such Subsidiary of the Issuer as a guarantor takes effect under the relevant Facility Agreement.

Notice of any addition of a Guarantor pursuant to this Condition will be given by the Issuer to the Noteholders in accordance with Condition 15.

- (f) **Trustee not obliged to monitor:** The Trustee shall not be obliged to monitor compliance by the Issuer with Condition 2(d) or 2(e) and shall have no liability to any person for not doing so. The Trustee shall be entitled to rely, without liability to any person, on a notice of the Issuer provided under this Condition 2 and until it receives such notice shall assume that no other Subsidiary of the Issuer has provided a guarantee in respect of any Facility Agreement.

- (g) In this Condition 2:

**"Facility Agreement"** means:

- (i) each of the following facility agreements of the Issuer:
  - (A) £325,000,000 Facility Agreement dated 18 May 2012;
  - (B) £100,000,000 Facility Agreement dated 29 May 2012;
  - (C) £215,000,000 Facility Agreement dated 5 July 2012, and
- (ii) any other credit agreement, note purchase agreement, indenture or similar instrument or facility of the Issuer (whether entered into in order to refinance any of (A), (B) and/or (C) above or otherwise) under which indebtedness of £100,000,000 (or its equivalent in other currencies) or more is incurred.

### 3. **NEGATIVE PLEDGE**

So long as any of the Notes remains outstanding (as defined in the Trust Deed), each of the Issuer and any Guarantor shall not, and the Issuer shall procure that no other Material Subsidiary (as defined in Condition 9) of the Issuer shall, create, assume or permit to subsist any mortgage, lien (not being a lien arising by operation of law), pledge, charge or other security ("**Security**") other than a Permitted Security Interest upon the whole or any part of its undertaking, assets or revenues, present or future (including any uncalled capital), to secure any Debt of any person or any obligation of the Issuer, any Guarantor or any Subsidiary of the Issuer under any guarantee, of or indemnity in respect of, any Debt of any person without at the same time or prior thereto securing the Issuer's obligations under the Notes, the Coupons and the Trust Deed and all amounts payable by each of the Guarantors, if any, in respect of the



Guarantee, if any, equally and rateably therewith to the satisfaction of the Trustee or providing such other Security for the Notes and the Coupons, and all amounts payable by any such Guarantors in respect of the Guarantee, if any, as the Trustee in its absolute discretion deems to be not materially less beneficial to the Noteholders or which has been approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In this Condition 3:

**"Debt"** means indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange, over-the-counter or other established securities market but excluding any such indebtedness which has a stated maturity not exceeding one year; and

**"Permitted Security Interest"** means

- (i) any Security which:
  - (A) is created or outstanding upon any property or assets of any description (including, but not limited to, beneficial rights, existing and/or future revenues, accounts receivables, premium receivables, clawback rights, rights against third parties and other payments due to the Issuer or any Material Subsidiary and rights in respect of bank or securities accounts) of the Issuer or any Material Subsidiary; and
  - (B) arises in relation to any securitisation or other structured finance transaction where:
    - (x) the primary source of payment of any obligations of the Issuer or any Material Subsidiary is linked to identified property or assets (including all rights in relation thereto and profits arising therefrom) (the **"Financing Assets"**) or where payment of such obligations is otherwise supported by such property or assets; and
    - (y) recourse to the Issuer or any Material Subsidiary in respect of such obligations is limited to and conditional on, the Financing Assets or other identified property or assets; and
- (ii) any Security which is in existence prior to the Issue Date.

#### 4. **INTEREST AND OTHER CALCULATIONS**

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(f).
- (b) **Interest on Floating Rate Notes:**
  - (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(f). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the

Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (y) if the Relevant Screen Page is not available or if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
  - (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).
- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the

Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)).

- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).
- (e) **Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
  - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that, if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the countries of such currency.
- (f) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority

so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee in its sole discretion otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (h) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall do so (or shall appoint an agent on its behalf to do so) but in each case without liability to any person for so doing and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.
- (i) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**"Business Day"** means:

- (a) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (b) in the case of euro, a day on which the TARGET System is operating (a **"TARGET Business Day"**); and/or
- (c) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **"Calculation Period"**):

- (i) if **"Actual/Actual"** or **"Actual/Actual - ISDA"** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **"Actual/365 (Fixed)"** is specified hereon, the actual number of days in the Calculation Period divided by 365;

- (iii) if "**Actual/365 (Sterling)**" is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30;

(viii) if "**Actual/Actual-ICMA**" is specified hereon,

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s); and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

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

**"Interest Amount"** means:

- (a) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (b) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

**"Interest Commencement Date"** means the Issue Date or such other date as may be specified hereon.

**"Interest Determination Date"** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

**"Interest Period"** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

**"Interest Period Date"** means each Interest Payment Date unless otherwise specified hereon.

**"ISDA Definitions"** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

**"Rate of Interest"** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

**"Reference Banks"** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent.

**"Reference Rate"** means the rate specified as such hereon (or any successor or replacement rate).

**"Relevant Screen Page"** means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

**"Specified Currency"** means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

**"TARGET System"** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption



Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior written approval of the Trustee) appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

## 5. REDEMPTION, PURCHASE AND OPTIONS

(a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its principal amount).

(b) **Early Redemption:**

(i) *Zero Coupon Notes:*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Conditions 5(c), 5(d), 5(e) or 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Conditions 5(c), 5(d), 5(e) or 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Conditions 5(c), 5(d), 5(e) or 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons:**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (or such other notice period as may be specified hereon) (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b) above)

(together with interest accrued to the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that it has (or, if the Guarantee was called, any of the Guarantors has) or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective (a) in the case of the Issuer or an Original Guarantor, on or after the date on which agreement is reached to issue the first Tranche of the Notes, or (b) in the case of any Guarantor which becomes a Guarantor after the date on which agreement is reached to issue the first Tranche of the Notes, the first day after such Guarantor becomes a Guarantor pursuant to Condition 2(e), and (ii) such obligation cannot be avoided by the Issuer (or any such Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or such Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer (or the relevant Guarantor, as the case may be) stating that the obligation referred to in (i) above has arisen and cannot be avoided by the Issuer (or the relevant Guarantor, as the case may be) taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above (without liability to any person) in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

In these Conditions:

**"Relevant Jurisdiction"** means, in the case of the Issuer, the United Kingdom or any political subdivision or any authority thereof or therein having power to tax and, in the case of any Guarantor, any jurisdiction under the laws of which that Guarantor is incorporated, or any political subdivision or any authority thereof or therein having power to tax.

(d) **Redemption at the Option of the Issuer:**

If Call Option is specified hereon, the Issuer may, unless either an Exercise Notice or a Change of Control Put Event Notice has been given pursuant to Condition 5(e) or 5(f), on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 5(b) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

If Make-whole Amount is specified hereon as the Optional Redemption Amount, the Optional Redemption Amount per Note shall be equal to the greater of the following, in each case together with interest accrued to but excluding the Optional Redemption Date(s):

- (i) the principal amount of the Note; and
- (ii) the principal amount of the Note multiplied by the price (as reported in writing to the Issuer and the Trustee by an independent financial adviser acting as expert (the **"Financial Adviser"**) appointed by the Issuer and at the Issuer's expense and approved in writing by the Trustee) expressed as a percentage (rounded to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up)) at which the Gross Redemption Yield on the Notes on the Determination Date is equal to the Gross Redemption Yield at the Quotation Time specified hereon on the Determination Date specified hereon of the Reference Bond specified hereon (or,

where the Financial Adviser advises the Issuer and the Trustee that, for reasons of illiquidity or otherwise, such Reference Bond is not appropriate for such purpose, such other government stock as such Financial Adviser may recommend) plus any applicable Redemption Margin specified hereon.

Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon. Any notice of redemption given under this Condition 5(d) will override any notice of redemption given (whether previously, on the same date or subsequently) under Condition 5(c).

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn in such place as the Issuer may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

The Trustee shall be entitled to rely on any advice of the Financial Adviser pursuant to this Condition without liability to any person and without further enquiry or evidence and such advice shall be binding on all parties.

In this Condition:

**"Gross Redemption Yield"** means a yield calculated in accordance with generally accepted market practice at such time, as advised in writing to the Issuer and the Trustee by the Financial Adviser.

(e) **Redemption at the Option of Noteholders:**

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 5(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent within the notice period. No Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Redemption Following Change of Control:**

If Change of Control Put Option is specified hereon, the holder of each Note will have the option (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under Condition 5(c) or 5(d) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at the Change of Control Redemption Amount specified hereon together with interest accrued to (but excluding) the Change of Control Put Date if a Change of Control Put Event occurs.

A "**Change of Control Put Event**" will be deemed to occur if:

- (i) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006 as amended) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (B) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally

exercisable at a general meeting of the Issuer (each such event being, a "**Change of Control**"); and

- (ii) on the date (the "**Relevant Announcement Date**") that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Relevant Potential Change of Control Announcement (if any), the Notes carry:
  - (A) an investment grade credit rating (BBB- (in the case of Fitch or S&P) or the equivalent rating level of any other Rating Agency, or better) (an "**Investment Grade Rating**"), from any Rating Agency assigned by such Rating Agency at the invitation of the Issuer and such rating is, within the Change of Control Period, either downgraded to a non-investment grade credit rating (BB+ (in the case of Fitch or S&P) or the equivalent rating level of any other Rating Agency, or worse) (a "**Non-Investment Grade Rating**") or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded to an Investment Grade Rating by such Rating Agency; or
  - (B) a Non-Investment Grade Rating from any Rating Agency assigned by such Rating Agency at the invitation of the Issuer and such rating is, within the Change of Control Period, either downgraded by one or more notches (for example, from BB+ to BB being one notch) or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) reassigned its earlier credit rating or better by such Rating Agency; or
  - (C) no credit rating and a Negative Rating Event also occurs within the Change of Control Period,

provided that if at the time of the occurrence of the Change of Control the Notes carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then paragraph (A) will apply; and

- (iii) in making any decision to downgrade or withdraw a credit rating pursuant to paragraphs (A) and (B) above or not to award a credit rating of at least investment grade as described in the definition of Negative Rating Event, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall notify the Trustee in writing and the Issuer shall, and at any time upon the Trustee having express notice thereof the Trustee may, and if so requested by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a "**Change of Control Put Event Notice**") to the Noteholders and the Trustee (where such Change of Control Put Event Notice is given by the Issuer) in accordance with Condition 15 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of a Note must deliver such Note to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the "**Change of Control Put Period**") of 30 days after a Change of Control Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Change of Control Put Notice**"). The Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven days after the expiration of the Change of Control Put Period (the "**Change of Control Put Date**"), failing which the Paying Agent will require payment from or on behalf of the Noteholder of an amount equal to the face value of any such missing Coupon. Any amount so paid will be reimbursed to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 13) at any time after such

payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter. The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Change of Control Put Notice, once given, shall be irrevocable. For the purposes of these Conditions, receipts issued pursuant to this Condition 5(f) shall be treated as if they were Notes. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

If 85 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 5(f), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Change of Control Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at the Change of Control Redemption Amount specified hereon together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

If the rating designation employed by Fitch or S&P is changed from that which is described in paragraph (ii) of the definition of Change of Control Put Event above, or if a rating is procured from any other Rating Agency, the Issuer shall determine the rating designations of Fitch or S&P or such other Rating Agency (as appropriate) as are most equivalent to the prior rating designation of Fitch or S&P and this Condition 5(f) shall be construed accordingly.

The Trustee is under no obligation to ascertain or monitor whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred, or to seek any confirmation from any Rating Agency pursuant to paragraph (iii) above or pursuant to the definition of Negative Rating Event below, and, until it shall have express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred and shall have no liability to the Noteholders or any other person in respect thereof.

In this Condition 5(f):

**"Change of Control Period"** means the period commencing on and including the Relevant Announcement Date and ending on and including the date falling 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period described above) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days from and including the public announcement of such consideration);

a **"Negative Rating Event"** shall be deemed to have occurred if at such time as there is no rating assigned to the Notes by a Rating Agency the Issuer does not, by the end of the Change of Control Period, obtain such a rating of at least investment grade;

**"Rating Agency"** means Fitch Ratings Limited ("**Fitch**"), Moody's Investors Service, Inc., Standard & Poor's Rating Services ("**S&P**") or any of their respective successors or any other internationally recognised rating agency appointed by the Issuer to assign a credit rating to the Notes; and

**"Relevant Potential Change of Control Announcement"** means any public announcement made under the City Code on Takeovers and Mergers or statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

- (g) **Purchases:** The Issuer, any of the Guarantors or any Subsidiary of the Issuer may at any time purchase Notes in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 5(h) below, they are purchased together with all unmatured Coupons and unexchanged Talons relating to them). Such Notes may be held, reissued, resold or, at the option of the Issuer, the relevant Guarantor or the relevant Subsidiary of the Issuer, surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, any Guarantor or any Subsidiary of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 10(a).
- (h) **Cancellation:** All Notes which are (i) redeemed, or (ii) purchased by the Issuer, any of the Guarantors or any Subsidiary of the Issuer and surrendered to the Issuing and Paying Agent for cancellation pursuant to Condition 5(g), shall forthwith be cancelled together with all unmatured Coupons and all unexchanged Talons attached thereto or surrendered therewith, and accordingly all such Notes shall be forwarded to the Issuing and Paying Agent and cannot be held, reissued or sold.

## 6. PAYMENTS AND TALONS

- (a) **Method of Payment:** Payments of principal and interest shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of payments of principal and, in the case of interest, as specified in Condition 6(e)(v)) or Coupons (in the case of interest, save as specified in Condition 6(e)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States, by transfer to an account denominated in such currency with a Bank. "Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Payments in the United States:** Notwithstanding the foregoing, if any Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (c) **Payments Subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (d) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuer and the Guarantors and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantors and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantors reserve the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved in writing by the Trustee and (iv) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer and the Guarantors shall forthwith appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. dollars in the circumstances described in paragraph (b) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(e) **Unmatured Coupons and unexchanged Talons:**

- (i) Upon the due date for redemption of any Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
  - (ii) Upon the due date for redemption of any Note comprising a Floating Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Where any Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note.
- (f) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).
- (g) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Financial Centres**" hereon and:
- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
  - (ii) (in the case of a payment in euro) which is a TARGET Business Day.

## 7. TAXATION

All payments of principal and interest by or on behalf of the Issuer or any Guarantor in respect of the Notes and the Coupons or under the Guarantee 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 a Relevant Jurisdiction or any other authority therein or thereof having power to tax, unless such withholding or deduction is required by law or pursuant to a voluntary agreement with a taxing authority. In that event, the Issuer or, as the case may be, any Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) **Other connection:** presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Note or Coupon; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days; or
- (c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) **Payment by another Paying Agent:** presented for payment by or on behalf of a Noteholder or a Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a member state of the European Union; or
- (e) **Foreign Account Tax Compliance Act:** for any withholding or deduction imposed, pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code, including any associated regulations or other official guidance and any agreement with the U.S. Internal Revenue Service pursuant to such Sections of the U.S. Internal Revenue Code, or any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which facilitates the implementation of such Sections of the U.S. Internal Revenue Code, on payments to a Noteholder, beneficial owner, or any agent having custody or control over a payment made by the Issuer, a Guarantor or any agent in the chain of payment; or
- (f) **Requested documentation:** where such withholding or deduction is imposed by reason of the failure of the holder or beneficial owner of a Note to comply with any reasonable written request by or on behalf of the Issuer addressed to the holder and made at least 60 days before any such withholding or deduction would be payable to satisfy any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of a tax jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by such tax jurisdiction (including, without limitation, a certification that the holder or beneficial owner is not resident in the tax jurisdiction).

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means whichever is the later of (i) the date on which payment in respect of it first becomes due and (ii) if the full amount payable has not been received in London by the Issuing and Paying



Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders.

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

8. **PRESCRIPTION**

Claims against the Issuer and/or a Guarantor for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9. **EVENTS OF DEFAULT**

If any of the following events ("**Events of Default**") occurs, the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to it being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) **Non-Payment:** default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) **Breach of Other Obligations:** the Issuer or a Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer or the relevant Guarantor(s) by the Trustee; or
- (c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer, a Guarantor or any Material Subsidiary (as defined below) for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or (iii) the Issuer, any Guarantor or any Material Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that (i) the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds the Specified Amount and (ii) (except where such default is not, in the opinion of the Trustee, capable of remedy, when no such notice as is hereinafter mentioned will be required), such default continues for a period of 30 days next following the service by the Trustee on the Issuer, a Guarantor or a Material Subsidiary, as the case may be, of a notice in writing requiring the same to be remedied; or
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer, a Guarantor or any Material Subsidiary and is not discharged or stayed within 30 days; or

- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future securing an amount equal to or exceeding the Specified Amount and created or assumed by the Issuer, a Guarantor or any Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar person) and in any such case is not discharged or stayed within 30 days; or
- (f) **Insolvency:** the Issuer, a Guarantor or any Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or, in the opinion of the Trustee, a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer, a Guarantor or any Material Subsidiary; or
- (g) **Winding-Up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, a Guarantor or any Material Subsidiary, or the Issuer, a Guarantor or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except (A) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor or any other Subsidiary of the Issuer, provided that if such transfer is made to a Subsidiary of the Issuer that is not a Material Subsidiary, such transferee Subsidiary of the Issuer shall thereupon become a Material Subsidiary pursuant to subparagraph (ii) of the definition of Material Subsidiary below or (B) in the case of Material Subsidiaries only, for the purpose of a *bona fide* disposal for full value on an arm's length basis of all or substantially all of the business or operations (including the disposal of shares in a Subsidiary of the Issuer) of a Material Subsidiary; or
- (h) **Guarantee:** the Guarantee is not (or is claimed by the Issuer or any Guarantor not to be) in full force and effect in relation to any Guarantor (except in accordance with Condition 2(d)); or
- (i) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs of this Condition 9(d), 9(f) and 9(g),

provided that (i) in the case of Condition 9(b), and, in respect of Material Subsidiaries or any Guarantor, Conditions 9(c), 9(d), 9(f) and 9(g), and 9(i) in respect of Material Subsidiaries only, the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders, and (ii) any of the events described in Conditions 9(c), 9(d), 9(e), 9(f), 9(g) and 9(i) shall not be deemed to occur to the extent that such event arises in relation to a Permitted Transaction.

In these Conditions:

"**Authorised Signatory**" means any person who (i) is a director of the Issuer or (ii) has been notified by the Issuer in writing to the Trustee as being duly authorised to sign documents and to do other acts and things on behalf of the Issuer for the purposes of the Trust Deed;

**"Material Subsidiary"** shall, at any time, mean a Subsidiary of the Issuer:

- (i) whose:
  - (A) aggregate interest income and fee income (as shown in its most recent annual audited financial statements and consolidated in the case of a Subsidiary of the Issuer which ordinarily produces consolidated accounts) represent not less than 10 per cent. of the aggregate interest and dividend income and fee and other operating income of the consolidated financial position of the Issuer and its Subsidiaries (the "**Group**"); or
  - (B) total assets (as shown in its most recent annual audited financial statements and consolidated in the case of a Subsidiary of the Issuer which ordinarily produces consolidated accounts) represent not less than 10 per cent. of the total assets of the Group,

calculated respectively by reference to the most recent annual audited financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary of the Issuer and the then latest audited consolidated financial statements of the Issuer,

provided that in the case of a Subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate, for the purpose of applying each of the foregoing tests, the reference to the Issuer's latest audited consolidated financial statements shall, until consolidated accounts for the financial period in which the acquisition is made have been published, be deemed to be a reference to such financial statements as if such Subsidiary of the Issuer had been shown therein by reference to its then latest relevant financial statements, adjusted as deemed appropriate by the Issuer; or

- (ii) to which is transferred the whole or substantially all of the business, undertaking and assets of another Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary, whereupon (a) the transferor Material Subsidiary shall immediately upon such transfer cease to be a Material Subsidiary and (b) the transferee Subsidiary of the Issuer shall immediately upon such transfer become a Material Subsidiary, provided that such transferee Subsidiary of the Issuer shall cease to be a Material Subsidiary pursuant to this subparagraph (ii) on the date on which the consolidated financial statements for the Group for the financial period current at the date of such transfer are published, but so that such transferor Subsidiary of the Issuer or such transferee Subsidiary of the Issuer may be a Material Subsidiary on or at any time after such date by virtue of the provisions of subparagraph (i) above;

The Trustee shall be entitled to rely upon a certificate signed by two Authorised Signatories that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary without liability to any person and without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties;

**"Permitted Transaction"** shall mean any securitisation or other structured finance transaction where:

- (i) the primary source of payment of any obligations of the Issuer, a Guarantor or any Material Subsidiary is linked to Financing Assets (as defined in Condition 3) or where payment of such obligations is otherwise supported by Financing Assets; and
- (ii) recourse to the Issuer, a Guarantor or any Material Subsidiary in respect of such obligations is limited to and conditional on, the Financing Assets or other identified property or assets;

**"Specified Amount"** shall mean the greater of (1) £25,000,000 or its equivalent in any other currency or currencies and (2) such amount in Sterling as is equal to one per cent. of the aggregate of (i) the principal amount of the share capital of the Issuer for the time being issued and paid up or credited as paid up; (ii) the amounts standing to the credit of the reserves

(including any share premium account and profit and loss account) of the Issuer and its Subsidiaries and (iii) any amounts attributable to minority interests in Subsidiaries of the Issuer, all as shown in the latest audited consolidated balance sheet of the Issuer and its Subsidiaries prepared in accordance with generally accepted accounting principles in the United Kingdom or as is required by English law less (iv) any amounts, determined in accordance with generally accepted accounting principles in the United Kingdom, representing distribution of cash or tangible assets declared, recommended or made by the Issuer or any of its Subsidiaries (other than any distribution attributable to the Issuer or another Subsidiary of the Issuer) out of profits accrued prior to the date of, and not provided for in, the latest audited consolidated balance sheet of the Issuer and its Subsidiaries and less (v) any amounts shown in such latest audited consolidated balance sheet attributable to intangible assets and (y) of any debit on profit and loss account;

A certificate signed by two Authorised Signatories as to the Specified Amount shall, in the absence of manifest error, be conclusive and binding on all parties and the Trustee shall be entitled to rely on such certificate without liability to any person; and

"**Subsidiary**" means a subsidiary within the meaning of Section 1159 of the Companies Act 2006.

#### 10. **MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION**

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) **Modification of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.
- (c) **Substitution:** Without prejudice to Condition 2(d), the Trust Deed also contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the addition of guarantors in respect of the Notes and the Coupons, to the substitution of certain other entities in place of the Issuer, any Guarantor or of any previous substituted company as principal debtor or guarantor, as the case may be, under the Trust Deed, the Notes and the Coupons. In the case of such a substitution, or a release or addition of a guarantor pursuant to Condition 2(d) or Condition 2(e) or this Condition 10(c) the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or any Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

## 11. ENFORCEMENT

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer and/or a Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer and/or a Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

## 12. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into any contract or transaction with the Issuer, a Guarantor and any entity related to the Issuer or any Guarantor without accounting for any profit.

As further specified in the Trust Deed, the Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

13. **REPLACEMENT OF NOTES, COUPONS AND TALONS**

If any Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority requirements, at the specified office of the Issuing and Paying Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Coupons or further Coupons) and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

14. **FURTHER ISSUES**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the "Notes" include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed or any deed supplemental to it. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

15. **NOTICES**

Notices to Noteholders shall be valid if published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*). If, in the opinion of the Trustee, any such publication is not practicable, notice shall be validly given if published in another English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 15.

16. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

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

17. **GOVERNING LAW AND JURISDICTION**

The Trust Deed, the Notes, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law.

## **APPENDIX C – SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM**

The Global Note contains provisions which apply to the Notes while they are held in global form by the clearing systems, some of which include minor and/or technical modifications to the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain parts of those provisions.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### 1. INITIAL ISSUE OF NOTES

If the Global Notes are intended to be issued in new global note ("NGN") form, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear and Clearstream, Luxembourg. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If the relevant Global Notes are to be issued in NGN form, the Issuer shall confirm to the Issuing and Paying Agent and to the clearing systems whether or not such Global Notes are intended to be held in a manner which would allow recognition as eligible collateral for Eurosystem monetary policy and intra-day credit operations and if such relevant Global Note is to be deposited with one of the ICSDs as Common Safekeeper.

Global Notes which are issued in classic global note ("CGN") form may be delivered on or prior to the original issue date of the Tranche to a common depository (the "**Common Depository**") on behalf of Euroclear and Clearstream, Luxembourg.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a Common Depository for Euroclear and Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the principal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the principal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### 2. RELATIONSHIP OF ACCOUNTHOLDERS WITH CLEARING SYSTEMS

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

### 3. EXCHANGE

#### 3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the relevant Final Terms indicate that such Global Note is issued in compliance with the TEFRA C Rules or in a transaction to which TEFRA is not applicable (as to which,



see "Summary of the Programme - Element C.5"), in whole, but not in part, for the Definitive Notes defined and described below; and

- (b) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

### 3.2 **Permanent Global Notes**

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.3 below, in part for Definitive Notes if the permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

### 3.3 **Partial Exchange of Permanent Global Notes**

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system so permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes.

### 3.4 **Delivery of Notes**

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes or, if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

### 3.5 **Exchange Date**

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Temporary Global Notes will not be expressed to be exchangeable upon notice into Definitive Notes if the relevant Notes have denominations consisting of minimum Specified Denominations plus one or more higher integral multiples of another smaller amount in excess thereof.

#### 4. **AMENDMENT TO CONDITIONS**

The temporary Global Notes and permanent Global Notes contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

##### 4.1 **Payments**

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the TEFRA D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 6(d)(iv) and Condition 7(d) will apply to the Definitive Notes only. If the Global Note is a NGN, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the principal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6(g).

##### 4.2 **Prescription**

Claims against the Issuer and/or any Guarantor in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

##### 4.3 **Meetings**

The holder of a permanent Global Note shall (unless such permanent Global Note represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

##### 4.4 **Cancellation**

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note.

##### 4.5 **Purchase**

Notes represented by a permanent Global Note may only be purchased by the Issuer, any of the Guarantors or any Subsidiary of the Issuer if they are purchased together with the rights to receive all future payments of interest thereon.

##### 4.6 **Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the

Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

#### 4.7 **Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Where the Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the principal amount of the Notes recorded in those records will be reduced accordingly.

#### 4.8 **NGN principal amount**

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the principal amount of the Notes represented by such Global Note shall be adjusted accordingly.

#### 4.9 **Trustee's Powers**

In considering the interests of Noteholders, while any Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note.

#### 4.10 **Notices**

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

### 5. **ELECTRONIC CONSENT AND WRITTEN RESOLUTION**

While any Global Note is held on behalf of a clearing system, then:

- (a) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum provisions as described in the Trust Deed were satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held,

and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and

- (b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Note or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or principal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

## 6. **CREST DEPOSITARY INTERESTS**

Investors may also hold interests in the Notes indirectly through Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited) ("**CREST**") through the issuance of dematerialised depository interests ("**CREST Depository Interests**" or "**CDIs**") issued, held, settled and transferred through CREST, representing interests in the relevant Notes in respect of which the CDIs are issued (the "**Underlying Notes**"). CREST Depository Interests are independent securities distinct from the Notes, constituted under English law and transferred through CREST and will be issued by CREST Depository Limited (the "**CREST Depository**") pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the "**CREST Deed Poll**"). See Section 11 (*Clearing and Settlement*) for more information regarding holding CDIs.

## THE ISSUER

### **Intermediate Capital Group plc**

Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU  
United Kingdom

## THE ORIGINAL GUARANTORS

### **Intermediate Capital Investments Limited**

Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU  
United Kingdom

### **Intermediate Capital Managers Limited**

Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU  
United Kingdom

### **Intermediate Investments LLP**

Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU  
United Kingdom

## ARRANGER AND DEALER

### **Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

## TRUSTEE

### **Deutsche Trustee Company Limited**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

## ISSUING AND PAYING AGENT

### **Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

## LEGAL ADVISERS

*To the Arranger and Dealer and the Trustee*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
United Kingdom

*To the Issuer and the Guarantors*

**Ashurst LLP**  
Broadwalk House  
5 Appold Street  
London EC2A 2HA  
United Kingdom

## REGISTERED AUDITORS OF THE ISSUER AND THE GUARANTORS

**Deloitte LLP**  
2 New Street Square  
London EC4A 3BZ  
United Kingdom

Printed by Ashurst LLP  
33101780