
NORDROCK SECURITIES B.V.
CHF 600,000,000 Senior Secured 4.5% Fixed Rate Bonds due 2024-01-31
ISIN: CH0420638238
25 February 2019

Application has been made for the Nordrock Securities B.V. (the "**Issuer**") CHF 600,000,000 Senior Secured 4.5% Fixed Rate Bonds due 2024-01-31 (the "**Bonds**") to be admitted to trading on the Frankfurt Stock Exchange ("**Stock Exchanges**"). This document comprises the listing particulars (the "**Listing Particulars**") for the purposes of this application and has been approved for listing on the Frankfurt Stock Exchange. The Bonds will be issued on 25 February 2019 (the "**Closing Date**") or such later date as may be agreed by the Issuer and Stichting Patroness (the "**Trustee**", which expression shall include its successors and assignees). The primary source of funds for the payment of principal and interest on the Bonds will be the right of the Issuer to receive interest and principal repayments (in respect of the Interest Payment Date) under the intercompany loan (the "**Loan Agreement**") made by the Issuer to Larmag Real Estate 5 B.V. (the "**Borrower**"). The Borrower's primary source of funds will be its rights to receive rental payments, in respect to the portfolio of commercial real estate it will acquire (the "**Property Portfolio**") and ultimately from the tenants which have lease agreements within said properties (the "**Occupational Tenants**") or any other associated business performed by the Borrower as per the terms of these Listing Particulars.

The Bonds will be issued in dematerialised bearer form in the denomination of CHF 1000 each. Title to the Bonds will be evidenced by book entries (the "**Book-Entry Interests**"). No physical document of title will be issued in respect of the Bonds, save for certain circumstances.

The Bonds will, upon issue, be inscribed in the books of SIX SIS AG (the "**Common Depository**") which shall credit the accounts of the Account Holders. "Account Holder" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**").

Interest on the Bonds is payable by reference to successive interest periods (each a "**Bond Interest Period**"). Interest will be payable semi-annually in arrears on 31 January and 31 July of each year commencing on the Bond Interest Payment Date occurring on 31 July 2019 provided that (i) the first Bond Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Bond Interest Payment Date occurring on 31 January 2019 (ii); the final Bond Interest Payment Date will occur on 1 January 2024 (the "**Final Maturity Date**"); and (iii) the final Bond Interest Period will commence on (and include) the Bond Interest Payment Date falling on 31 July 2023 and end on (but exclude) the Final Maturity Date. Interest on the Bonds will accrue at an annual rate of 4.5 per cent. Payments of interest in respect of the Bonds are further described herein and, in particular, in Condition 4 (Interest) of the terms and conditions of the Bonds reproduced herein in the section entitled "*Terms and Conditions of the Bonds*" (the "**Conditions**").

The Bonds will mature on the Final Maturity Date unless previously redeemed in accordance with the Conditions. The Bonds shall be repaid in full on Final Maturity Date and no principal instalments shall be paid beforehand. In addition to repayment of the Bonds on the Final Maturity Date, the Bonds will be subject to optional redemption in whole or in part before the Final Maturity Date in certain circumstances, and subject to the conditions, described in the Conditions.

If any withholding or deduction for or on account of tax is applicable to the Bonds, payments of interest on, and principal and premium (if any) of, the Bonds will be made subject to any such withholding or deduction, without the Issuer or the Borrower being obliged to pay any additional or further amounts as a consequence thereof.

The Bonds will be limited recourse obligations of the Issuer only and will not be guaranteed by, or be the responsibility of, any other person or entity. It should be noted, in particular, that the Bonds will not be obligations of, and will not be guaranteed by, Issuer Holdco, the Nominee Holder, the Trustee, the Borrower (except for the securities provided under the Loan Agreement), the Property Manager, the Paying Agent, the Registrar, the Account Bank (each as defined under the section entitled "*The Parties*"). The proceeds of the issue of the Bonds will be, *inter alia*, on-lent to the Borrower. The resulting indebtedness of the Borrower will be secured over all of the assets and undertaking of the Borrower as more particularly described below. The Bonds will be secured over all of the assets and undertaking of the Issuer.

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

The Borrower and other Parties accepts responsibility for the information concerning itself. To the best of each such party's knowledge and belief (having taken all reasonable care to ensure that such is the case) the information concerning itself in the relevant section is in accordance with the facts and does not omit anything likely to affect the import of such information. No person is or has been authorised in connection with the issue and sale of the Bonds to give any information or to make any representation not contained in this document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the other Parties.

Neither the delivery of this document nor any sale or allotment made in connection with the offering of any of the Bonds shall under any circumstances constitute a representation or create any implication that there has been no change in the affairs of the Parties or in the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof.

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered, directly or indirectly, in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered for sale outside the United States in accordance with Regulation S under the Securities Act. See "Subscription and Sale". Other than the approval of this document as a Listing Particulars by the Frankfurt Stock Exchange, no action has been or will be taken to permit a public offering of the Bonds or the distribution of this document in any jurisdiction where action for that purpose is required. The distribution of this document and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document (or any part hereof) comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. For a further description of certain restrictions on offers and sales of Bonds and distribution of this document, see "Subscription and Sale". Neither this document nor any part hereof constitutes an offer of, or an invitation by, or on behalf of, the Issuer to subscribe for or purchase any of the Bonds. Neither this document, nor any part hereof, may be used for or in connection with an offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this document nor any part hereof nor any other offering circular, prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction, except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

References in this document to "€", "Euro" or "Eur" are to the lawful currency for the time being of the European Monetary Union. References in this document to "CHF" or "Swiss Franc" are to the lawful currency for the time being of Switzerland.

Capitalised terms used in this document, unless otherwise indicated, have the meanings set out in this document or in the applicable Transaction Document.

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A. TRANSACTION OVERVIEW

1. Indebtness

Upon receipt of the proceeds from the issue of the Bonds the Issuer will make an advance to the Borrower in the sum of all the proceeds, maximum CHF 600,000,000, received from the Issue of the Bonds (the "**Loan**") pursuant to a loan agreement to be entered into by, *inter alios*, the Issuer as lender and Larmag Real Estate 5 B.V as borrower (the "**Loan Agreement**").

The Borrower will apply the proceeds of the Loan Agreement to (i) fund the acquisition of the Property Portfolio as explained in the section headed "*The Property Portfolio*" below; (ii) meet certain fees and expenses associated with the transactions described in this Listing Particulars.

The Property Portfolio has been assigned an Expected Value (as defined in the in the section of this document entitled "Target Summary". For further details as to the use of proceeds, see the section of this document entitled "*Use of Proceeds*".

2. Source of funds for payments of the Bonds

The Issuer's primary sources of funds for the payment of principal and interest on the Bonds will be the interest and principal repayments under the Loan Agreement.

The Borrower's primary sources of funds for the interest payment of the Loan will be rental payments payable by the Occupational Tenants of the Property Portfolio. The source of repayment of the Loan will be re-financing or the sale of the Property Portfolio on or before maturity date of the Loan.

All rental amounts payable to the landlord directly (including (i) sums payable under the Occupational Tenants' covenants, such as outgoings, default interest and service charges; (ii) sums in respect of value added tax ("VAT"); and (iii) amounts by way of indemnity by each Occupational Tenants pursuant to each lease (such rental and/or guaranteed amounts being the "Rental Income") will be paid to the account (the "Rent Account"), pledged to the Trustee.

All amounts standing to the credit of the Rent Account will be transferred on the immediately following Loan Interest Payment Date to the Borrower Transaction Account, pledged to the Trustee.

On each Loan Interest Payment Date:

- (a) amounts standing to the credit of the Borrower Transaction Account (other than sums credited to the Borrowers Expenses Reserve Ledger) and available to the Borrower will be applied in or towards satisfaction of the payment obligations of the Borrower, including obligations to make payments of principal, interest and any other amounts due in respect of the Loan; and
- (b) amounts standing to the credit of the Issuer Transaction Account and available to the Issuer will be applied by the Issuer in or towards satisfaction of the payment obligations of the Issuer.

On each Bond Interest Payment Date amounts standing to the credit of the Issuer Transaction Account and available to the Issuer will be applied to satisfy the Issuer's payment obligations, including in respect of the principal, interest and premium due on the Bonds and amounts due to the other Issuer Secured Creditors.

For further details, see "Resources Available to the Borrower and the Issuer".

The Loan from the Issuer to the Borrower will bear interest at a rate of 4.55 per cent. per annum and interest will be payable semi-annually in arrears on 25 January and 25 July (each a "Loan Interest Payment Date"). There will be re-payment of the principal in respect to the Loan on the Loan Maturity Date.

The Loan will be guaranteed (on a limited recourse basis) by the Borrower.

The Bonds and the Loan will bear interest at a fixed rate, whereas Rental Income will be in Euro but the coupon and principal payments are due in Swiss francs. Accordingly, prior to or on the Closing Date, in order to hedge the currency exposure which would otherwise exist the Borrower will enter into a currency hedge (the "Hedge") with a reputable provider under which the Borrower will secure the exchange rate from Euro to Swiss francs. The Borrower will hedge the interest payments due on each Loan Interest Payment Date and the principal amount due on the Loan Maturity Date. The cost for the Hedge will be the responsibility of the Borrower.

3. **Security**

The obligations of the Borrower under the Loan Agreement and the other Transaction Documents to which the Borrower is a party (the "**Borrower Transaction Documents**") will be secured in favour of the Trustee for the benefit of the Issuer and the Manager (the "**Borrower Secured Creditors**") by fixed and floating security created by, and pursuant to, the Security Documents (as to which, see further "*Summary of Transaction Documents – The Security Documents*").

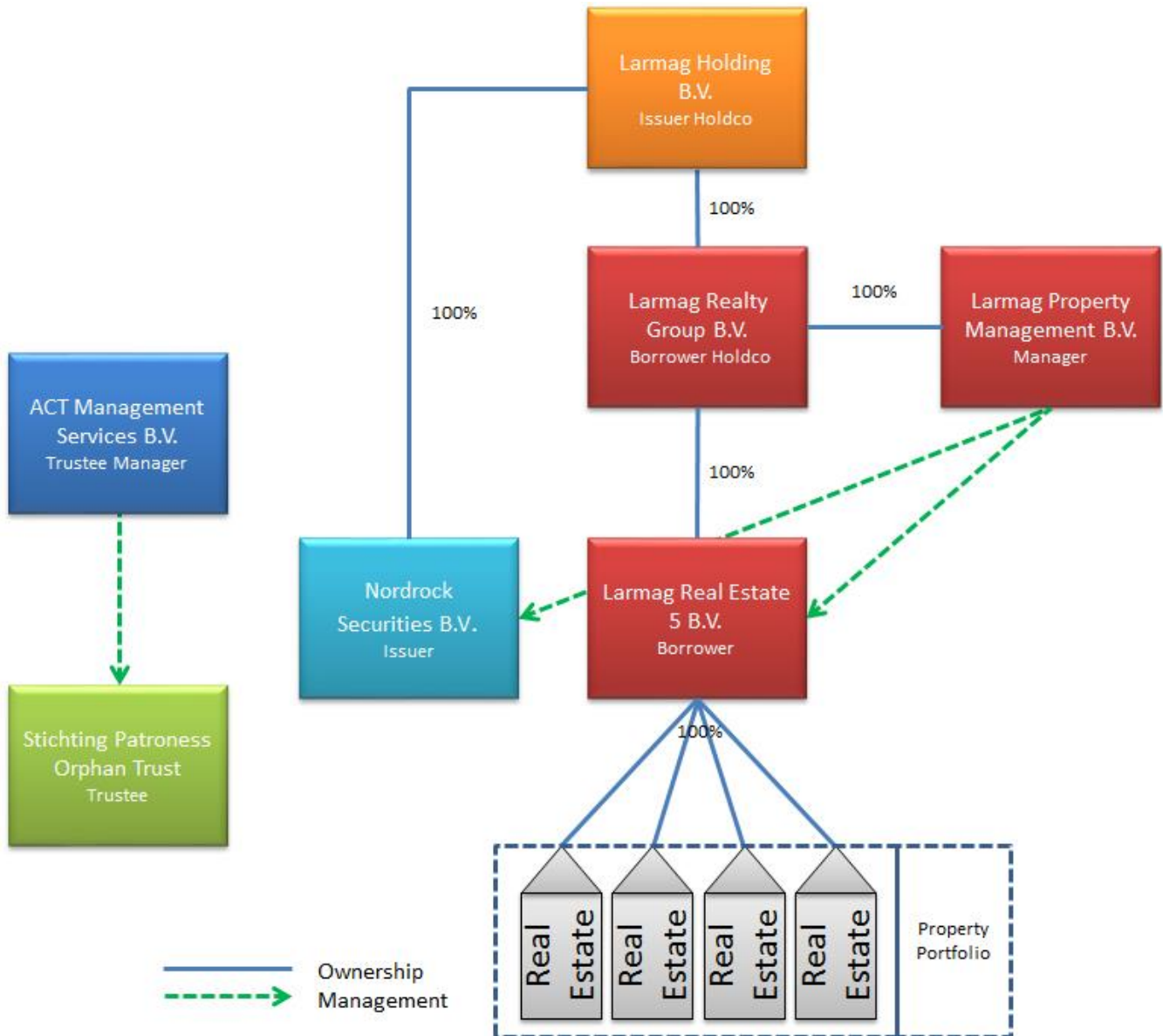
The Issuer will assign, by way of first fixed security, all of its right, title, interest and benefit in, to and under the Borrower Security Documents (as defined below), the Loan Agreement and the other Transaction Documents to which the Issuer is a party (the "**Issuer Transaction Documents**"), charge its rights to the Issuer Transaction Account and create fixed and floating security over all of its other assets in favour of the Trustee for the benefit of itself, the Bondholders and the other Issuer Secured Creditors (as defined below) pursuant to the Trust Deed.

4. **Transaction Documents**

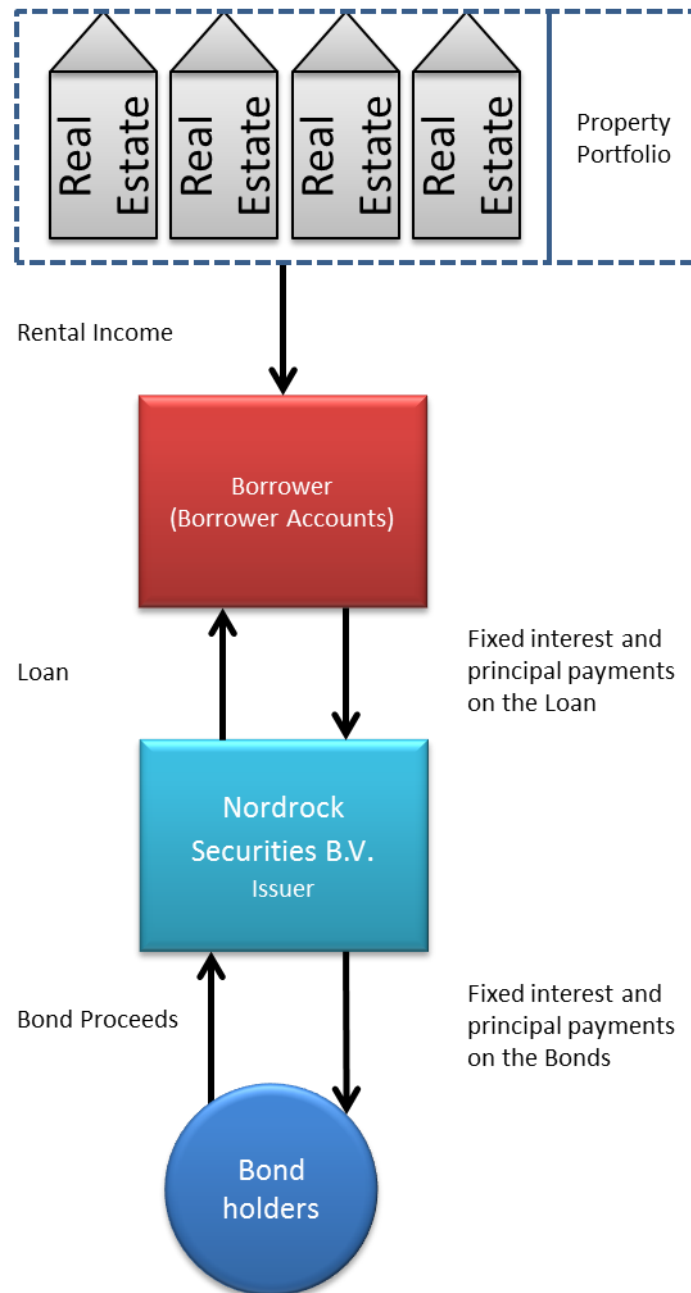
The following documents, inter alia, shall constitute "Transaction Documents" for the purposes of these Listing Particulars: the Trust Deed; Corporate Management Agreement; Property Management Agreement; Cash Management Agreement; Trustee Corporate Services Agreement; Loan Agreement; Paying Agency Agreement; Account Bank agreement; Custodian agreement; Issuer Deed of Charge; Borrower Deed of Charge; Deed of Pledge over the shares of the Borrower; Deed of Pledge over the shares of the Issuer; Deed of pledge over the receivables of the Issuer and any other document designated as such by the Trustee.

5. Diagrammatic overview of parties and transaction

5.1 Ownership structure



5.2 Transaction structure



B. Key characteristics of the bonds

The following information is a description of the principal features of the issue of the Bonds. This description should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in the Listing Particulars.

	The Bonds
Issuer:	Nordrock Securities B.V.
Principal amount:	CHF 600,000,000
Denomination:	CHF 1000 per Bond
Issue price:	100%
Type:	Senior Secured
Interest rate:	4.5% p.a.
Interest accrual method:	Actual/Actual (ISDA)
Bond Interest Payment Dates:	January 31 and July 31 every year
Issue Date:	25 February 2019
Amortisation:	Full principal repayment on Maturity Date, no scheduled amortization before maturity.
First Bond Interest Payment Date:	31 July 2019
Final Maturity Date:	31 January 2024
Application for listing:	Frankfurt Stock Exchange
ISIN:	CH0420638238
Rating:	Provisional BBB(sf) by Arc Ratings S.A.
Currency hedging:	Full EUR to CHF exchange rate hedging of the interest and principal payments due under the Loan
Credit enhancement:	None

C. The Parties

Issuer	Nordrock Securities B.V. (the "Issuer") is a private company incorporated in the Netherlands with limited liability under registration number 858297176. The Issuer was incorporated as a private limited company on 22 December 2017 operating under the laws of the Netherlands. The Issuer was established as a special purpose vehicle for the principal purpose of issuing the Bonds and entering into the transactions and matters contemplated by these Listing Particulars. All of the shares in the Issuer are held by Issuer Holdco.
Issuer Holdco	Larmag Holding B.V. ("Issuer Holdco") is a private company incorporated in the Netherlands with limited liability under registration number 855168262. The Issuer Holdco was incorporated as a private limited company on 08 May 2015. The Issuer Holdco was established for the purpose of financial holdings. All of the shares in the Issuer Holdco are held by Lars-Erik Magnusson.
Borrower Holdco	Larmag Realty Group B.V. ("Borrower Holdco") is private company incorporated in the Netherlands with limited liability under registration number 855769072. The Borrower Holdco was incorporated as a private limited company on 08 May 2015. The Borrower Holdco was established for the purpose of financial holdings, management of real estate and financial investments. All of the shares in the Borrower Holdco are held by Issuer Holdco.
Borrower	<p>Larmag Real Estate 5 B.V. ("Borrower") is private company incorporated in the Netherlands with limited liability under registration number 859312215. The Borrower was incorporated as a private limited company on 30 October 2018 operating under the laws of the Netherlands. The Borrower was established as a special purpose vehicle for the purpose of investment in and management of immovable and movable property and other assets, including securities, and renting of immovable property and other assets, either for its own account or on behalf of third parties. All of the shares in the Borrower are held by Borrower Holdco.</p> <p>The Borrower will upon receipt of the proceeds from the loan proceeds from the Issuer acquire the Property Portfolio and as such hold the title to those properties. The Borrower will grant a charge over, inter alia, such beneficial interests in favour of the Trustee as security for the aggregate of all present and future monies, obligations and liabilities (actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) which from time to time are or may become due, owing or payable by the Borrower to each, some or any of the Borrower Secured Creditors under the Borrower Transaction Documents (the "Borrower Secured Obligations").</p>
Bond Trustee	Stichting Patroness (in such capacity, the "Trustee") will be appointed pursuant to a trust deed which will be entered into on the Closing Date between the Issuer and the Bond Trustee and in relation to which the Bonds will be constituted (the "Trust Deed", which expression shall include such trust deed as modified from time to time in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto). The Bond Trustee, in its capacity as trustee under the Trust Deed, will act as trustee for the Bondholders.

Security Trustee	Stichting Patroness (in such capacity, the "Security Trustee") will be granted security by the Issuer and Borrower under or pursuant to deeds of charge (Issuer Deed of Charge and Borrower Deed of Charge) in favour of the Security Trustee (on behalf of the Issuer Secured Creditors) (the "Deeds of Charge", which expression shall include such deed as modified from time to time in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto). The Security Trustee will hold the securities created by and pursuant to the Security Documents on behalf of itself and the other Secured Creditors.
Common Depository	SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland acting as common depository under the Paying Agency Agreement.
Paying Agent	ISP Securities Ltd., Bellerivestrasse 45, 8034 Zürich, Switzerland acting as paying agent under the Paying Agency Agreement.
Custodian	ISP Securities Ltd., Bellerivestrasse 45, 8034 Zürich, Switzerland acting as Custodian under the <u>Custodian Agreement</u> will maintain certain accounts on behalf of the Issuer.
Account Bank	ABN AMRO Bank N.V., Foppingadreef 22, 1102 BS, Amsterdam, The Netherlands will maintain certain accounts on behalf of the Borrower.
Registrar	SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland (the "Registrar"), will be appointed to act as registrar in respect of the Bonds under the Paying Agency Agreement.
Property Manager	Larmag Property Management B.V. (the "Manager") will provide property management services in relation to the Mortgaged Properties including, inter alia, monitoring and inspecting the Mortgaged Properties to ensure that the Mortgaged Properties are professionally managed and kept in good repair and the terms of the Occupational Leases are otherwise complied with (including the collection of rents from the Occupational Tenants) pursuant to the terms of an agreement to be entered into on the Closing Date between, inter alios, the Issuer, the Borrower, the Manager and the Trustee (the "Property Management Agreement"). The Property Manager is a wholly-owned subsidiary of the Borrower Holdco. The Manager's address is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands.
Corporate Manager	The Manager will provide corporate services for the Issuer and the Borrower including management, accounting, financial reporting, filings etc. pursuant to the terms of an agreement to be entered into on or before the Closing Date between the Manager, Issuer and Borrower (the "Corporate Management Agreement").
Cash Manager	The Manager will provide cash management services for the Issuer and Borrower pursuant to the terms of an agreement to be entered into on or before the Closing Date between the Manager, and Borrower (the "Cash Management Agreement").
Trustee Corporate Service Provider	ACT Management Services B.V. (the "Trustee Manager"), a professional trust and corporate manager regulated by the Dutch central bank, is providing corporate and management services for the Trustee pursuant to the terms of an agreement to be entered into on or before the Closing Date between the Trustee Manager, Issuer and Borrower (the "Trustee Corporate Services Agreement").

D. The Bonds

General

The Bonds will be issued in accordance with the terms of the Trust Deed and will be direct, secured and limited recourse obligations of the Issuer and may be delivered in tranches.

Status, Form and Denomination

The Bonds will, in all cases, rank pari passu amongst themselves as to payment of interest and will, in all cases, rank pari passu amongst themselves as to the payment of principal.

The holders of the Bonds will be entitled to receive payments of interest and principal on their Bonds on each Bond Interest Payment Date (or as otherwise provided for in the Conditions) but the entitlement to receive interest and principal is subordinated to any liabilities ranking in priority to the Bonds, including, inter alia, all amounts payable on the relevant Bond Interest Payment Date (or the Final Maturity Date, as the case may be) to the Bond Trustee, the Security Trustee, the Paying Agent, the Registrar, the Account Bank, the Custodian, the Manager, and the Trustee Manager.

For a more detailed description of the priority of payments both prior and subsequent to the enforcement of security thereunder, see the section of this document entitled "Resources Available to the Borrower and the Issuer".

For further details as to Bondholder meetings, modifications, waivers and consents by the Security Trustee and the Bond Trustee, see the sections entitled "Terms and Conditions of the Bonds", "Summary of Transaction Documents" and "Risk Factors".

The Bondholders may replace the Bond Trustee by resolution of the Bondholders passed as an extraordinary resolution under the terms of the Trust Deed (an "Extraordinary Resolution") (as long as there is a bond trustee in relation to the Bonds after such removal).

The Bonds are and will be obligations of the Issuer only. The Bonds are not and will not be obligations or responsibilities of any person or entity other than the Issuer. Furthermore, the Bonds are not and will not be obligations or responsibilities of, or guaranteed by, Issuer Holdco, Borrower Holdco, Borrower, any of the Obligors, the Bond Trustee, the Security Trustee, the Manager, the Property Manager, the Paying Agent, the Registrar, the Account Bank, the Custodian or the Trustee Corporate Services Provider.

The Bonds will be in the denomination of CHF 1000 and will be represented by the Book-Entry Interests. The Book-Entry Interests will not be exchangeable for definitive Bonds, save in certain limited circumstances (as to which see further "Provisions Relating to Bonds whilst in Book-Entry Form").

Interest and principal

Interest and principal on the Bonds is payable by reference to successive Bond Interest Periods. Interest will be payable semi-annually in arrears on each Bond Interest Payment Date. The first Bond Interest Period will commence on (and include) the Closing Date and end on (but exclude) the Bond Interest Payment Date falling on 31 July 2019. Each successive Bond Interest Period will commence on (and include) a Bond Interest Payment Date and end on (but exclude) the immediately succeeding Bond Interest Payment Date.

Interest on the Bonds will accrue at the rate of 4.5 per cent. Per annum.

Principal will be paid in accordance with Condition 5.2 (Redemption, Purchase and Cancellation – Scheduled mandatory redemption in part).

A failure by the Issuer to make timely payments of amounts of interest and principal due under the Bonds will constitute a Bond Event of Default.

The Bondholders will be entitled to receive payment of interest on their respective Bonds on any Bond Interest Payment Date as provided in the Conditions and provided that such entitlement is subordinated to any liabilities ranking in priority thereto in accordance with the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments (see further the section of this document entitled "Resources Available to the Borrower and the Issuer").

Withholding tax

All payments of principal and interest in respect of the Bonds will be made without withholding or deduction for or on account of tax unless such withholding or deduction is required by law (whether in the Netherlands, Switzerland or elsewhere). If any such withholding or deduction is required to be made from payments due in respect of the Bonds, neither the Issuer nor any Paying Agent nor the Registrar nor any other person will be obliged to pay any additional amounts to Bondholders or, if Definitive Bonds are issued, to otherwise compensate Bondholders for the reduction in the amounts they will receive as a result of such withholding or deduction. In such circumstances, the Issuer will have the option (but not the obligation) to redeem all of the Bonds at their Principal Amount Outstanding, as more particularly set out in Condition 5.4 (Redemption, Purchase and Cancellation – Optional redemption due to change of tax law and illegality).

Final redemption

Unless previously redeemed in full or purchased and cancelled, the Bonds will mature at their then Principal Amount Outstanding, together with accrued interest (if any) thereon on 31 January 2024 (the "Final Maturity Date").

Optional redemption

The Issuer may, at its option, redeem all of the Bonds on any Bond Interest Payment Date at their Principal Amount Outstanding if certain circumstances arise on or after the Closing Date relating to certain changes of tax law (or the application or official interpretation thereof), as more particularly set out in Condition 5.4 (Redemption, Purchase and Cancellation – Optional redemption due to change of tax law and illegality).

Security

The Bonds will be secured pursuant to the Issuer Deed of Charge (see "Summary of Transaction Documents – The Issuer Deed of Charge" for a further description of the Issuer Security). The Security Trustee and any appointee thereof (and any receiver appointed by the Security Trustee), the Bond Trustee and any appointee thereof, the Bondholders, the Account Bank, the Borrower, the Paying Agent, the Registrar, the Issuer/Issuer Holdco, Manager and any other person acceding to the Issuer Deed of Charge as a secured creditor of the Issuer from time to time (the "Issuer Secured Creditors") will also have the benefit of the Issuer Security created pursuant to the Issuer Deed of Charge. The obligations of the Issuer in respect of the Bonds and the other Issuer Secured Creditors pursuant to the Issuer Transaction Documents will

rank as to payments, and in point of security, according to the relevant Issuer Priority of Payments (as to which, see the section of this document entitled "Resources Available to the Borrower and Issuer").

Following the service of a Bond Acceleration Notice by the Bond Trustee, the Bonds will become immediately due and repayable in accordance with Condition 9.2 (Bond Events of Default – Consequences of Bond Acceleration Notice).

Bond Events of Default

The Bond Trustee may, and if so directed by the Bondholders in accordance with the Conditions shall, (but, in the case of the events in paragraph (b) below, only if the Bond Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interest of the Bondholders) give a Bond Acceleration Notice to the Issuer:

- a) if default is made in the payment of principal or interest due in respect of the Bonds and the default continues for ten Business Days; or
- b) if the Issuer fails to perform or observe any of its other obligations under the Conditions or any Issuer Transaction Documents and generally where such failure continues for 30 days; or
- c) if the Issuer suffers certain specified insolvency events or ceases or threatens to cease its business or a substantial part thereof (as more particularly described in Condition 9.1 (Bond Events of Default – Bond Acceleration Notice));

Ratings

The Bonds have been assigned a medium and long-term provisional rating of BBB (sf) by Arc Ratings S.A. It is expected that the Bonds will, when issued and the Property Portfolio has been acquired, be assigned a final rating.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

Listing

Application has been made to the Frankfurt Stock Exchange for the Bonds to be admitted to trading.

Application for listing:

Frankfurt Stock Exchange

ISIN:

CH0420638238

Market Making & Liquidity

The Issuer will retain the services of a Market Maker for the Bonds on the stock exchanges which the Bonds will be listed. The market maker will facilitate liquidity, on best effort, for trading of the bonds in the secondary market. The Market Maker will ensure a daily price quotation of the Bonds.

E. Risk factors

The following is a summary of certain aspects of the Bonds about which prospective Bondholders should be aware. This summary is not intended to be exhaustive and prospective Bondholders should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

1. Risks related to the Bonds

Limited resources

The Bonds will be limited recourse obligations of the Issuer. Further, the assets of the Issuer will themselves be limited. The Issuer is a special purpose company with no business operations other than the issue of the Bonds and the transactions ancillary thereto. The ability of the Issuer to meet its obligations under the Bonds will be principally dependent on the receipt by it of funds from the Borrower under the Loan Agreement. Other than the foregoing, prior to the enforcement of the security created pursuant to the Borrower Security Documents, the Issuer will not have any other significant funds available to it to meet its obligations under the Bonds and in respect of any payment ranking in priority to, or pari passu with, the Bonds.

Liability under the Bonds

The Bonds will be obligations solely of the Issuer and will not be obligations or responsibilities of, or guaranteed by, any other person or entity. In particular, the Bonds will not be obligations or responsibilities of, and will not be guaranteed by, Issuer Holdco, the Borrower, the Borrower Holdco, the Trustee, the Security Trustee, the Paying Agent, the Registrar, the Managers, the Account Bank, the Manager, the Property Manager, the Trustee Manager and the Custodian. Furthermore, no person other than the Issuer will accept any liability whatsoever to Bondholders in respect of any failure by the Issuer to pay any amount due under the Bonds.

Definitive Bonds and denominations

The Bonds have a denomination consisting of a minimum authorised denomination of CHF 1000. If definitive Bonds are issued, Bondholders should be aware that definitive Bonds which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

No liquidity facility

The Issuer does not have the benefit of a liquidity facility. Therefore, in the event that the Borrower fails to pay under the Loan Agreement the Issuer may be unable to meet its payment obligations under the Bonds as they fall due.

Borrower Level Security enforcement

In the event of acceleration of the Loan, recourse will be available only to the Borrower Level Charged Property (including the Mortgaged Properties, the relevant Borrower Transaction Documents and the Borrower Accounts and the Borrower Rent Account). Enforcement under the Borrower Security Documents may not result in immediate realisation of the Borrower Level Charged Property and a significant delay could be experienced in recovery by the Security Trustee of, inter alia, amounts owed under the Loan. There can be no assurance that the Security Trustee would recover all amounts secured upon enforcement of the Borrower Level Security and, accordingly, sufficient funds may not be realised or available to make all required payments to the Issuer under the Loan and, accordingly, the Issuer may not have sufficient funds available to make all required payments to Bondholders and other Issuer Secured Creditors.

Monitoring of compliance with representations, warranties and covenants and occurrence of Borrower Loan Event of Default or Borrower Loan Potential Event of Default

The Loan Agreement will provide that the Security Trustee will be entitled to assume, unless the Security Trustee is expressly informed otherwise by the Borrower, that no Loan Event of Default or Loan Potential Event of Default has occurred which is continuing. The Security Trustee will not itself monitor whether any such event has occurred but will (unless expressly informed to the contrary by the Borrower) rely on any certificates and information delivered under the Loan Agreement to determine whether a Loan Event of Default or Loan Potential Event of Default has occurred. For further details concerning Loan Events of Default or Loan Potential Events of Default, see the section of this document entitled "Summary of Transaction Documents – The Loan Agreement". None of the Bond Trustee or the Security Trustee is obliged to monitor whether a Loan Event of Default or Loan Potential Event of Default has occurred. Moreover, as the Issuer is a special purpose company, it will not, nor does it possess the resources to, actively monitor

whether a Loan Event of Default or a Loan Potential Event of Default has occurred, including, for this purpose, the continued import of the representations and warranties made by the Borrower and compliance by the Borrower with their covenants and undertakings under the Loan Agreement. The Loan Agreement will require the Borrower to inform the Issuer and the Security Trustee of the occurrence of any Loan Event of Default and Loan Potential Event of Default promptly upon becoming aware of the same. The occurrence of a Loan Event of Default under the Loan Agreement will entitle the Security Trustee to pursue any of the courses of action available to it, as set out under the section of this document entitled "Summary of Transaction Documents – The Loan Agreement".

Absence of market and limited liquidity

There can be no assurance that a secondary market in the Bonds will develop or, if one does develop, that it will provide Bondholders with liquidity of investment or that it will continue for the life of the Bonds. In addition, the market value of the Bonds and thus the price at which Bonds can be bought or sold in the market may fluctuate with changes in prevailing rates of interest, market perceptions of the risks associated with the Bonds, supply and demand and other market conditions.

Ratings of the Bonds

The ratings assigned to the Bonds by a reputable rating agency address the likelihood of full and timely payment to the Bondholders of all payments of interest and scheduled principal due on each Bond Interest Payment Date. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the Rating Agencies' judgement, circumstances so warrant. Rating organisations other than the Rating Agencies could seek to rate the Bonds and, if such "unsolicited ratings" are lower than the comparable rating assigned to the Bonds by the Rating Agencies, such "shadow ratings" could have an adverse effect on the value of the Bonds. For the avoidance of doubt and unless the context otherwise requires, any references to "ratings" or "rating" in this document are to ratings assigned by the Rating Agencies only. Future events, including events affecting the Occupational Tenants and/or circumstances relating to the Mortgaged Properties and/or the property market generally, could have an adverse impact on the ratings of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency.

Conflicts of interest

The Trust Deed will require the Bond Trustee to have regard to the interests of all the Bondholders as a class (so long as any of the Bonds remains outstanding) as regards all powers, trusts, authorities, duties and discretions (as to which, see "The Bonds" and the Conditions). So long as any of the Bonds are outstanding, the Bond Trustee shall not be bound to direct the Security Trustee to take any steps, proceedings or other actions to enforce the Security, or to direct the Security Trustee to take steps, proceedings or other actions to enforce the Borrower Level Security, unless:

(a) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by them in connection therewith; and

(b) it shall have been directed or requested to do so by an Extraordinary Resolution of the holders of the Bonds then outstanding or in writing by the holders of at least 51 per cent. Of the aggregate principal amount of the Bonds then outstanding.

Modification, waivers and consents

The Bond Trustee may (in its sole discretion), without the consent of the Bondholders (other than in respect of a Basic Terms Modification), give its consent to (or direct the Security Trustee to give its consent to or direct the Security Trustee to give its consent to) any amendment to any term of any Transaction Document to which it is a party or give its consent to any event, matter or thing or authorise or waive any breach of the Conditions or the Trust Deed or the other Transaction Documents in the circumstances described in Condition 12 (Meetings of Bondholders, Modifications and Waivers).

Interest rates

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Bonds. Fluctuations in interest rates of the currency in which the Bonds are denominated and/or fluctuations in interest rates

of the currency or currencies in which the underlying assets are denominated may affect the value of the Bonds.

2. Risks relating to the Occupational Leases

Dependence on the Manager

The ability of the Borrower to make payments of interest and principal under the Loan is dependent on Principal Rent received from the Occupational Tenants. The ability of the Issuer to make payments of interest and principal under the Bonds. The ability of the Borrower to make payments on the Loan is dependent on the Property Manager and the Manager to collect the rent from the Occupational Tenants and to negotiate new leases and re-negotiate current leases when they are up for expiry.

Market risks on enforcement

In the event of enforcement of the Borrower Security Documents, it may be necessary to offer to re-let or, as appropriate, sell the relevant Mortgaged Properties. Amounts received in respect of the Mortgaged Properties by way of rent or sale price following a re-letting or sale could be insufficient to pay accrued interest on, and to repay principal of, the Borrower Loan in full, in which case Bondholders may ultimately suffer a loss. The rent at which any Mortgaged Property could be re-let or the liquidation value of the Mortgaged Properties may be adversely affected by risks generally incidental to interests in commercial property, including changes in political and economic conditions or in specific industry segments, declines in property rental or capital values, variations in supply of and demand for retail space, prevailing gilt yields and interest rates, credit spreads, declines in rental or occupancy rates, changes in governmental rules, regulations and fiscal policies, terrorism, acts of God and other factors which are beyond the control of any party to the transaction.

Terms of Occupational Leases

The obligation to make payments under an Occupational Lease in respect of a Mortgaged Property will be an unconditional obligation on the part of the relevant Occupational Tenant. In addition, the economic liabilities arising in relation to the upkeep and operation of the relevant leased premises are borne by the Borrower, including the costs of repairing, maintaining and (subject as mentioned below) insuring the relevant premises.

3. Risks relating to the Mortgaged Properties

Title

Title to the properties within the Property Portfolio will be investigated by the Notary at the closing of any acquisition. The Notary will then verify that the properties to be acquired are free and clear from any liens before title of any property is transferred to the Borrower.

Substitutions of Mortgaged Properties

Under the terms of the Substitution Agreement, the Borrower will be entitled to substitute Mortgaged Properties in certain circumstances. The risks associated with the effect of a substitution of Mortgaged Properties on the value and rental income generative capacity of all the Mortgaged Properties are mitigated by the Substitution Criteria and conditions under the Substitution Agreement (as to which, see the section of this Prospectus entitled "Summary of Transaction Documents" and "Substitution, Alteration and Disposal of Mortgaged Properties").

Reliance on Valuation Report

There can be no assurance that the valuations given in a valuation report for each of the properties within the Property Portfolio will continue at a level equal to or in excess of such valuations. To the extent that the value of each of the properties within the Property Portfolio fluctuates, there is no assurance that the aggregate of the value of the properties within the Property Portfolio will remain at least equal to or greater than the sum of the unpaid principal and accrued interest and any other amounts due from the Borrower under the Loan Agreement and the other Borrower Transaction Documents. If any Mortgaged Property is sold following a Borrower Loan Event of Default, there is no assurance that the net proceeds of such sale will be sufficient to pay in full all or any amounts due under the Loan Agreement and the other Borrower Transaction Documents.

Environmental risks

Under the Loan Agreement the Borrower will represent that it is in compliance in all material respects with environmental laws and regulations applicable to it as at the upon acquisition of the Property Portfolio and covenant to comply (or procure that the relevant Occupational Tenant complies) in all material respects with environmental laws and regulations currently applicable to it. However, a breach of environmental laws and/or regulations may occur in the future. Sanctions for alleged or actual non-compliance with environmental laws and/or regulations and the costs of remedying any such breach and the effect of any unremedied breach could have a material adverse effect on the value of Mortgaged Properties or their rental income generating capacity.

Various environmental laws may require a current or previous owner, occupier or operator of property to remediate substances or releases at or from such property that cause or are likely to cause harm to the environment or water pollution. These owners, occupiers or operators may also be obliged to pay damages in legal proceedings for property damage, investigation and clean-up costs and liabilities to third parties in connection with such substances.

If an environmental liability arises in relation to the Mortgaged Properties and it is not remedied, or is not capable of being remedied, this may result in the Mortgaged Properties either being sold at a reduced sale price or becoming unsaleable.

The Borrower will warrant in the Loan Agreement on the Closing Date, that it has investigated the environmental risks in respect of each of the properties within the Property Portfolio. A breach of the environmental representation and warranty contained in the Loan Agreement will constitute a Loan Event of Default, unless the underlying circumstances are remedied within any relevant rectification period and save where the breach is immaterial.

Property management

Larmag Property Management B.V., as the Property Manager to be appointed on the Closing Date, is experienced in managing commercial property, there can be no assurance that it will continue to act as Property Manager. Although any successor manager of a Mortgaged Property appointed by the Borrower is required to be experienced in managing commercial premises, there may be a delay in the appointment of a successor or variation in the terms of any appointment of a successor or the appointment of any successor manager of a Mortgaged Property may have an adverse effect on the Issuer's ability to make payments on the Bonds.

Dependence on the Manager

The success of the Issuer and Borrower depends in substantial part on the skill and expertise of the Manager. There can be no assurance that the members of the Investment Team will continue to be available to manage the Issuer and Borrower throughout the life of the Bond. The core of the Investment Team with the Manager has however more than 20 years of experience working together and a combined experience in the commercial real estate sector of over 150 years. The unavailability of members of the Investment Team could have a material adverse effect on the Borrower and the Issuer.

The value of any properties that the Borrower acquired or may acquire and the rental income those properties yield is subject to fluctuations in its individual property market

The Issuer's performance is subject to, among other things, the conditions of the commercial property market in which the Borrower acquires properties, which affect both the value of any properties that the Borrower acquired or may acquire and the rental income those properties yield. The value of real estate in many European countries declined sharply starting in 2007 as a result of economic recession, the credit crisis, increased unemployment rates, an overhang of excess supply, overleveraged local real estate companies and developers and the absence mainly of bank debt financing. European property values could decline further and those declines could be substantial, particularly if the economy were to suffer a further recession or the recent increase in demand for European real estate were to fade. Further declines in the performance of the European economy or the European property market could have a negative impact on consumer spending, levels of employment, rental revenues and vacancy rates and, as a result, have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects. In addition to the general economic climate, the European commercial property market and prevailing rental rates and asset values may also be affected by factors such as an excess supply of properties, the availability of credit, the level of interest rates and changes in laws and governmental regulations (both domestic and international), including those governing real estate usage, zoning and taxes. In addition, rental rates may also be affected by a fall in the general demand for rental property and reductions in tenants' and potential tenants' space requirements. All of these factors are outside of the Issuer's control and may reduce the attractiveness of holding property as an asset class.

These factors could also have a material effect on the Borrower's ability to maintain the occupancy levels of the properties it acquired or may acquire through the execution of leases with new tenants and the renewal of leases with existing tenants, as well as its ability to maintain or increase rents over the longer term. In particular, non-renewal of leases or early termination by significant tenants in the Property Portfolio (once acquired) could materially adversely affect the Borrower's net rental income. If the Borrower's net rental income declines, it would have less cash available to service and repay its indebtedness and the value of its properties could further decline. In addition, significant expenditures associated with a property, such as taxes, service charges and maintenance costs, are generally not reduced in proportion to any decline in rental revenue from that property. If rental revenue from a property declines while the related costs do not decline, the Borrower's income and cash receipts could be materially adversely affected. Declines in rent and demand for space might render refurbishment and redevelopment investments unattractive. Any deterioration in the European commercial property market, for whatever reason, could result in declines in market rents received by the Borrower, in occupancy rates for the Borrower's properties, in the carrying values of the Borrower's property assets and the value at which it could dispose of such assets. Any of the above may have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects.

Competition may affect the ability of the Borrower to make appropriate investments and to secure tenants at satisfactory rental rates

The Borrower faces competition from other property investors for the purchase of desirable properties and in seeking creditworthy tenants for acquired properties. Competitors include not only regional European investors and real estate developers with in-depth knowledge of the local markets, but also other property portfolio companies, including funds that invest nationally and internationally, institutional investors and foreign investors. Competitors may have greater financial resources than the Borrower and a greater ability to borrow funds to acquire properties, and may have the ability or inclination to acquire properties at a higher price or on terms less favourable than those the Borrower may be prepared to accept. Competition in the commercial property market may also lead to an over-supply of commercial properties through over-development or prices for existing properties being driven up through competing bids by potential purchasers. Furthermore, the number of entities and the amount of funds competing for suitable properties may increase. There can be no assurance that the Borrower has been and will be successful in identifying or acquiring suitable investment opportunities. The existence and extent of competition in the commercial property market may also have a material adverse effect on the Borrower's ability to secure tenants for properties it acquired or may acquire at satisfactory rental rates and on a timely basis and to subsequently retain such tenants. Competition may cause difficulty in achieving rents in line with the Borrower's expectations and may result in increased pressure to offer new and renewing tenants financial and other incentives. Any inability by the Borrower to compete effectively against other property investors or to effectively manage the risk related to competition may have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects.

The Borrower may be dependent on the performance of third party contractors when undertaking development, refurbishment or redevelopment of its property assets

In circumstances where the Borrower seeks to create value by undertaking development, refurbishment or redevelopment of its property assets, it will typically be dependent on the performance of third party contractors who undertake the management or execution of such development, refurbishment or redevelopment on behalf of the Borrower. The risks of development, refurbishment or redevelopment include, but are not limited to: – failure by such third party contractors in performing their contractual obligations; – insolvency of such third party contractors; – the inability of the third party contractors to retain key members of staff; – cost overruns in relation to the services provided by the third party contractors; – delays in properties being available for occupancy; – fraud or misconduct by an officer, employee or agent of a third party contractor, which may result in losses to the Borrower and damage to the Borrower's reputation; – disputes between the Borrower and third party contractors, which may increase the Borrower's expenses and distract the Manager and the Investment Team; – liability of the Borrower for the actions of the third party contractors; – inability to identify and acquire a property asset suitable for development, refurbishment or redevelopment; – inability to obtain governmental and regulatory permits on a timely basis or at all; – inability to sell the developed, redeveloped or refurbished units at prices that are favourable to the Borrower or at all; and – inability to rent the units to tenants at rental rates that are favourable to the Borrower or at all. If the Borrower's third party contractors fail to successfully perform the services for which they have been engaged, either as a result of their own fault or negligence, or due to the Borrower's failure to properly supervise any such contractors, this could have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects. In addition, development, refurbishment or redevelopment projects are based on business plans devised by the Investment Manager and actual results might differ. Speculative developments may have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects.

There is no assurance that the Borrower will realise anticipated returns on an investment in property development, refurbishment or redevelopment. Failure to generate anticipated returns may have a material adverse effect on the Borrower's business, financial condition, results of operations and prospects.

4. Other risks

No right to control the Issuer's operations

The Issuer is managed exclusively by its Board. Holders do not make decisions with respect to the management, disposition or other realization of any investment, or any other decisions regarding the Issuer's business and affairs. Specifically, Holders do not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding investments by the Issuer. Holders should expect to rely solely on the ability of the Board, the Trustee and the Manager, as applicable, with respect to the operations of the Issuer and the Borrower.

Exchange rates and exchange controls

The Issuer will pay principal and interest on the Bonds in Swiss Francs. 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 (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate and/or restrict the convertibility or transferability of currencies within and/or outside of a particular jurisdiction. As a result, investors may receive less interest or principal than expected, or receive it later than expected or not at all.

Legality of purchase

The Issuer assumes no responsibility for the lawfulness of the acquisition of the Bonds by a prospective purchaser of the Bonds, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

Independent review and advice

Each prospective purchaser of Bonds must determine, based on its own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, that its acquisition and holding of the Bonds (i) is fully consistent with its (or if it is acquiring the Bonds in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Bonds as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Bonds in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Bonds. The Issuer is not acting as an investment adviser or assumes any fiduciary obligation, to any purchaser of Bonds.

Forward looking statements

This Memorandum may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "will", "would" or similar words. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer's strategy, goals, plans, future financial position, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements.

A liquid secondary market may not develop for any Bonds

Even though the bonds are planned to be listed on at least two the Frankfurt Stock Exchange the market may not be liquid. The liquidity of any market for the Bonds will depend on a number of factors, including, but not limited to:

- the method of calculating the principal and interest in respect of the Bonds;
- the time remaining to the maturity of the Bonds;
- the outstanding amount of the Bonds;
- the redemption features of the Bonds; and
- the level, direction and volatility of market interest rates generally.

As a result, investors may not be able to sell their Bonds easily or at prices that will provide a yield comparable to similar investments that have a developed secondary market. Such risks are heightened for any Bonds that: (i) are especially sensitive to interest rate risks, currency risk or other market risks; (ii) have been designed for specific investment objectives or strategies; or (iii) have been structured to meet the investment requirements of certain limited categories of investors, as such types of Bonds generally would have a more limited secondary market and increased price volatility than conventional debt securities. The relative illiquidity of Bonds may have a severely adverse effect on such Bonds' market value.

F. The Property Portfolio

1. Overview

The Property Portfolio will comprise only commercial properties located in the Netherlands, Germany or other countries within the European Union which will, following the Closing Date and receipt of the Loan proceeds, be owned by the Borrower. The geographic distribution of the Property Portfolio will be focused on densely populated areas of which the Randstad area of the Netherlands is a focus. The Borrower will hold legal title to the properties within the Property Portfolio. The Property Portfolio has been identified by the Manager and is under negotiation to be acquired by the Borrower subject to finalization of the bond issue. The Property Portfolio is subject to final contract and some buildings may be substituted but will in such case be substituted by properties which follow the Acquisition Criteria.

The properties within the Property Portfolio, together with any properties substituted pursuant to the Substitution Agreement, are referred to herein together as the "Mortgaged Properties" and each as a "Mortgaged Property".

In this document, the term Property Portfolio refers to any property within the Property Portfolio following the Closing Date and any reference to Mortgaged Property or Mortgaged Properties means any property within the Property Portfolio following the Closing Date and any other property which is substituted for such property and/or held by the Borrower from time to time as appropriate.

Please refer to the Target Summary in the section of this document entitled "Target Summary" for a description of the properties within the Property Portfolio, its Expected Value and projected cash flow.

2. Occupational Leases

Each property within the Property Portfolio will, following the Closing Date, benefit from one or several Occupational Lease (s). The Occupational Leases for each property within the Property Portfolio will be for a term expiring on the Occupational Lease Maturity Date.

Occupational Lease means any lease, agreement for lease, license or other occupational interest subject to which the Borrower's interest in the Property is held now or in the future including any guarantee and rent deposit arrangements entered into under the terms of them.

A typical Occupational lease is for a term of 5 years with option periods of 1-2 years, especially in the Dutch market, and usually comes with bank guarantees or equivalent for up to 1 years of lease payments. The Occupational leases are unconditional payment obligations of the Occupational Tenants and are generally inflation secured by yearly indexations linked to general price indexation. The Dutch leases are generally based on the ROZ-model lease agreements which is the standard in that market. Payments of rent are usually on a quarterly basis, any and lease agreements within the properties will be legally reviewed and checked for red flags prior to closing of the Property Portfolio.

3. Security

The Property Portfolio will form part of the security held by the Security Trustee in respect of the Borrower Secured Obligations pursuant to the Borrower Deed of Charge.

For more information with respect to the values and the title to the properties within the Property Portfolio, see the sections of this document entitled "Target Summary" and "Risk Factors".

4. Certificates of Title

A certificate of title in respect of each property within the Property Portfolio (the "Certificates of

Title" and each a "Certificate of Title") will be given to the Issuer and Borrower following the Closing Date upon the acquisition of the Property Portfolio by the Borrower by the law firm Baker & McKenzie in respect to any properties acquired within the Netherlands and for any properties acquired outside of the Netherlands Baker & McKenzie where available or otherwise equally prominent law firm.

G. Summary of transaction documents

The following is intended only to be a summary of certain provisions of the principal Transaction Documents.

1. The Loan Agreement

The Issuer will advance the Loan in an aggregate principal amount of up to CHF 600,000,000 to the Borrower on the Closing Date pursuant to the Loan Agreement. The Loan shall be repaid by the Borrower to the Issuer in full on or before the Final Maturity Date pursuant to the Loan Agreement.

The Borrower will apply the proceeds of the Loan to (i) acquire the Property Portfolio such that it may be at the time; (ii); make a deposit of 1% of any received Loan proceeds to the Borrower Transaction Account credited to the Expenses Reserve Ledger; and (iii); meet certain fees and expenses associated with the transactions described in this Memorandum.

1.1 Interest on the Loan

The rate of interest on the Loan from the Issuer to the Borrower will be 4.55 per cent. per annum. Interest will be paid by the Borrower to the Issuer semi-annually in arrears on each Loan Interest Payment Date. The Borrower will have a reserve of 1% of the proceeds received initially to mitigate any unknowns in respect to collecting of the rent for the Occupational Tenants and paying the first interest payment on the Loan.

1.2 Amortization and prepayment of the Loan

The loan shall not be amortized prior to the Final Maturity Date and may not be prepaid, either in part or whole.

1.3 Currency hedging

The Rental Income will be received in Euro and the interest payments on the Loan is in Swiss francs and to mitigate the risk of currency fluctuation the Borrower will enter into a currency hedging agreement prior to the disbursement of the Loan from the Issuer to the Borrower. The Hedge will cover all interest payments and principal payments under the Loan.

1.4 Borrower Facility Fees

In consideration of the Issuer making the Loan available to the Borrower, the Borrower will pay to the Issuer on the Closing Date, an initial fee in an amount equal to all the fees, costs and expenses properly and reasonably incurred by the Issuer in connection with the making of the Loan, the issue of the Bonds, preparation and execution of each Issuer Transaction Document.

1.5 Withholding tax on the Borrower Loan

All payments of interest made to the Issuer on the Loan will be made free and clear of, and without withholding or deduction for, any tax unless such withholding or deduction is required by law.

1.6 Representations and warranties

No independent investigation with respect to the matters warranted in the Loan Agreement will be made by the Issuer, the Bond Trustee, the Security Trustee, other than searches made on the Closing Date against the Borrower, the Manager, in the relevant file held by the Chamber of Commerce in respect of winding-up petitions and searches against the properties within the Property Portfolio at the Land Registry (as applicable). Apart from such searches, in relation to such matters, the Issuer, the Bond Trustee, the Security Trustee will rely entirely on the representations and warranties to be given by the Borrower pursuant to the terms of the Loan Agreement.

1.7 Covenants – General

Pursuant to the terms of the Loan Agreement, the Borrower will give certain covenants (which may be limited in certain circumstances by certain materiality qualifications) in favour of the Issuer and the Security Trustee, including, without limitation:

- to comply with the terms of the landlord's obligations under the obligations under the Occupational Leases;
- not to carry out and/or agree to any major alterations (such as redevelopment into different use than at acquisition) to a Mortgaged Property unless permitted by with the consent of the Issuer and the Security Trustee;
- to take such steps as a prudent owner would take, with a view to ensuring to keep and maintain the relevant Mortgaged Properties in good and substantial repair and condition;
- to take such steps as a prudent owner would take, with a view to ensuring compliance in all material respects with laws and regulations relating to or affecting the Mortgaged Properties (including in relation to environmental and planning laws and regulations);
- to maintain insurance in respect of the Mortgaged Properties;
- to supply to the Issuer and the Security Trustee ongoing updated financial statements and certain other information;
- to notify the Issuer and the Security Trustee of any occurrence of a Loan Event of Default or a Loan Potential Event of Default;
- not to acquire any assets or businesses unless in accordance with and pursuant to the terms of the Transaction Documents or enter into any merger;
- not to assume any liability for any financial indebtedness unless such indebtedness is in accordance with the terms of the Transaction Documents;
- maintain the loan to gross market value no higher than 85%;
- not to incur any financial indebtedness except certain permitted financial indebtedness; and
- and not to pay any dividends to its shareholder during the time which the Bond is still outstanding

The effect of the breach of certain of the covenants described above may be subject to a rectification period and/or subject to whether the relevant breach would have or would reasonably be expected to have a Borrower Adverse Effect (as defined below).

1.8 Covenants – Disposals

In addition to the general covenants described above, the Borrower shall not be entitled to dispose of any assets (including any interest in a Mortgaged Property), unless permitted to do so pursuant to the terms of the Loan Agreement and the other Transaction Documents (including, in particular, the Substitution Agreement). For further details as to the circumstances where substitutions and disposals are permitted pursuant to the terms of the Borrower Transaction Documents, see the section of this document entitled "Substitution, Alteration and Disposal of Mortgaged Properties".

1.9 Relationship between the Loan and the Bonds

The service of a Borrower Enforcement Notice will constitute a Bond Event of Default. However, this will not necessarily result in the Bonds becoming immediately due and repayable unless the Bond Trustee delivers a Bond Acceleration Notice. The service of a Bond Acceleration Notice shall be at the discretion of the Bond Trustee, or when requested or directed by the Bondholders, subject to and in accordance with Condition 9.1 (Bond Events of Default - Bond Acceleration Notice). A Borrower Loan Event of Default will also occur upon the occurrence of any Bond Event of Default which is continuing.

1.10 Security for the Borrower Loan

The obligations of the Borrower under the Loan Agreement will be secured, pursuant to the terms of the Borrower Security Documents, over the assets, property and undertaking of the Borrower (including, inter alia, the Mortgaged Properties, the Borrower Accounts, the Borrower Rent Account and Borrowers shares, as further described in the section of this document entitled "The Borrower Security Documents").

1.11 Loan Events of Default

The Loan Agreement will contain a list of the events (the " Loan Events of Default" and each, a " Loan Event of Default") that may lead to a default and acceleration of any amounts outstanding in respect of the Loan, including:

- failure to meet the payment obligations under the Loan;
- breach of the Borrowers' representations and warranties given pursuant to the Loan Agreement;
- breach of the Borrowers' covenants under the Loan Agreement;
- the occurrence of a Bond Event of Default which is continuing;
- the occurrence of a Borrower Insolvency Event; and
- if the Borrower fails to comply with any or all of its other obligations under any other Borrower Transaction Document.

Certain of these events are subject to a rectification period. Also, certain of these events contain a materiality test where the occurrence of an event will not necessarily lead to a Loan Event of Default unless the occurrence of such an event also would have or would reasonably be expected to have a Borrower Adverse Effect (for example, a breach of any repeating representation or warranty, the occurrence of any litigation or termination of the Management Agreement) whereas the occurrence of other events will automatically constitute a Loan Event of Default without such materiality (for example, failure to pay (subject to a grace period), occurrence of a Bond Event of Default which is continuing, a Borrower Insolvency Event).

"Borrower Insolvency Event" means that the Borrower:

- a) is or is deemed to be unable or admits its inability to pay its debts as they fall due or suspends making payments on any of its debts; or
- b) the commencement of negotiations with one or more creditors of the Borrower with a view to rescheduling any indebtedness of the Borrower; or
- c) any corporate action, legal proceedings or other formal procedure or step is taken in relation to:
 - i. the appointment of an Insolvency Official in relation to the Borrower or in relation to the whole or any part of the undertaking or assets of the Borrower; or
 - ii. an encumbrancer (excluding the Security Trustee) taking possession of the whole or any material part of the undertaking or assets of the Obligor and such possession not being discharged or ceasing to apply within 30 days; or
 - iii. the making of an arrangement, composition or compromise (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of the Obligor, an insolvent reorganisation or winding-up of the Obligor, a conveyance to or assignment for the creditors of the Obligor generally or the making of an application to a court of competent jurisdiction for protection from the creditors of the Obligor generally; or
 - iv. any distress, execution, diligence, attachment or other process being levied or enforced or imposed upon or against the whole or any material part of the undertaking or assets of the Obligor (excluding by the Security Trustee or any receiver of the Obligor appointed by the Security Trustee) and the same is not discharged or does not otherwise cease to apply within 30 days; or
 - v. any procedure or step is taken, or any event occurs, analogous to those set out in – (iv) above, in any jurisdiction,

provided that a Borrower Insolvency Event shall not be considered to have occurred in relation to the Borrower where the value of the assets the Borrower is less than the amount of its liabilities, solely due to

the fact that the value of the assets of the Borrower has been materially and adversely affected by a diminution in the value of the Mortgaged Properties which is attributable to Market Conditions.

For this purpose:

"Market Conditions" means, in relation to one or more Mortgaged Properties, conditions applicable generally in the market for similar properties in the same market; and

"Insolvency Official" means a liquidator, provisional liquidator, administrator, administrative receiver, receiver or manager or other similar officer or analogous officer.

Upon and at any time after the occurrence of a Loan Event of Default which is continuing unremedied and unwaived, the Security Trustee may serve an enforcement notice in respect of the Loan Agreement (a "Borrower Enforcement Notice") on the Borrower (with a copy to the Issuer), and upon such service:

- a) all amounts outstanding under the Loan shall either become immediately due and payable or shall become payable on demand; and
- b) the security granted by the Borrower pursuant to the terms of the Security Documents shall become enforceable.

1.12 Borrower Adverse Effect

For the purposes of the Loan Agreement, "Borrower Adverse Effect" means:

- a) a material and adverse effect on the ability of the Borrower to perform its payment obligations under the Borrower Transaction Documents; or
- b) a material and adverse effect on the legality, binding nature, validity or enforceability of the security interests under the Security Documents; or
- c) a material and adverse effect on the aggregate Vacant Possession Value of the Mortgaged Properties at any time, taking into account the outstanding amount of the Loan; or
- d) a material and adverse effect on the legality, binding nature, validity or enforceability of the Borrower's entitlement to Rental Income (taken as a whole),

provided that, in determining whether or not a Borrower Adverse Effect has occurred, there shall be disregarded:

- i) in respect of sub-paragraphs (b) and (d) above, the consequences of any matters of law (but not matters of fact) to the extent qualifications have been made as to such matters of law in legal opinions delivered under the Borrower Loan Agreement on the Closing Date and certain other legal reservations;
- ii) in respect of all the foregoing sub-paragraphs, any consequences of an actual or a perceived diminution in the financial ability of the Occupational Tenants to pay the Rental Income in full and on time; and
- iii) in respect of sub-paragraphs (a) and (c) above, any diminution in the aggregate Market Value of the Mortgaged Properties which is attributable to Market Conditions.

1.13 Governing Law

The Loan Agreement (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

2. The Account Bank Agreement

The Issuer and the Borrower will enter into an agreement (the "Account Bank Agreement") with the Account Bank, on or about the Closing Date, pursuant to which the Issuer will open and maintain the Issuer Transaction Account with the Account Bank, the Borrower will open the Borrower Rent Account with the Account Bank, the Borrower will open and maintain the Borrower Accounts with the Account Bank. Pursuant to the Account Bank Agreement, the Account Bank will waive all rights of set-off in relation to the Borrower Rent Account, the Borrower Accounts and the Issuer Transaction Account (together, the "Accounts"). Each

of the Issuer and the Borrower will pay to the Account Bank an agreed fee (inclusive of any applicable VAT). Payment of the fees due to the Account Bank by the Borrower will rank senior to payments due to the Issuer in respect of the Loan and payment of the fees due to the Account Bank by the Issuer will rank senior to payments due to the Bondholders. The Account Bank will give certain representations, including that it is an Eligible Bank (as defined below).

The Issuer may not withdraw any monies from the Issuer Transaction Account otherwise than in accordance with the provisions of, as applicable, the Issuer Deed of Charge, the Cash Management Agreement and the Account Bank Agreement.

The Borrower may not withdraw any monies from the Borrower Rent Account or Borrower Accounts otherwise than in accordance with the provisions of, as applicable, the Borrower Deed of Charge, the Cash Management Agreement and the Account Bank Agreement.

The Borrower Rent Account and Borrower Accounts is subject to a first priority security interest created in favour of the Security Trustee pursuant to the Borrower Deed of Charge (as described in "The Borrower Deed of Charge").

The Issuer Transaction Account is subject to a first priority security interest created in favour of the Security Trustee pursuant to the Issuer Deed of Charge (as described in "The Issuer Deed of Charge").

The appointment of the Account Bank may also be terminated by the Issuer (with the consent of the Security Trustee) or by the Borrower (in each case, with the consent of the Security Trustee) and by the Security Trustee following certain events including a failure by the Account Bank to perform its duties under the Account Bank Agreement and an insolvency-related event in relation to the Account Bank (as the case may be).

The Issuer and the Borrower with the approval of the Security Trustee shall appoint a replacement Account Bank in the event that the appointment of the Account Bank is terminated. The termination of the appointment of the Account Bank shall not be effective until a replacement has been appointed.

The Account Bank Agreement (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

3. The Cash Management Agreement

The Issuer and the Borrower will enter into an agreement (the "Cash Management Agreement") with the Cash Manager, on or about the Closing Date, pursuant to which the Cash Manager will be appointed, as agent of the Issuer, the Borrower and, in certain circumstances, the Security Trustee to (i) act as cash manager in respect of amounts standing to the credit of the Issuer Transaction Account from time to time; (ii) act as cash manager in respect of amounts standing to the credit of the Borrower Accounts from time to time; (iii) act as cash manager in respect of amounts standing to the credit of the Borrower Rent Account from time to time; and (iv) invest monies standing to the credit from time to time of the Issuer Transaction Account, the Borrower Accounts in Eligible Investments in accordance with the directions of the relevant account holder.

Each of the Issuer and the Borrower will pay the Cash Manager an agreed fee (inclusive of any applicable VAT). Payment of the fees due to the Cash Manager by the Borrower will rank senior to payments due to the Issuer in respect of the Loan and payment of the fees due to the Cash Manager by the Issuer will rank senior to payments due to the Bondholders. The Cash Management Agreement will contain provisions, inter alia, for the transfer of amounts between, and withdrawal of funds from, the Borrower Accounts, the Borrower Rent Account and the Issuer Transaction Account. Details concerning the Borrower Pre-Enforcement Priority of Payments, the Borrower Post-Enforcement Priority of Payments, the Issuer Pre-Enforcement Priority of Payments and the Issuer Post-Enforcement Priority of Payments are described further in the section entitled "Resources Available to the Borrower and the Issuer".

The appointment of the Cash Manager may be terminated by the Issuer (with the consent of the Security Trustee) or by the Borrower or by the Security Trustee following certain events including a failure by the Manager to perform its duties under the Cash Management Agreement and an insolvency-related event in relation to the Cash Manager (as the case may be).

The Issuer and the Borrower with the approval of the Security Trustee shall appoint a replacement Manager in the event that the appointment of the Manager is terminated. The termination of the appointment of the Cash Manager shall not be effective until a replacement has been appointed.

The Cash Management Agreement (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

4. The Borrower Security Documents

The Borrower Secured Obligations will be secured, inter alia, by the assets and undertaking of the Borrower especially the Mortgaged Properties which means any properties acquired by the Borrower.

4.1 The Borrower Deed of Charge

Under or pursuant to a deed of charge to be entered into on the Closing Date (the "Borrower Deed of Charge"), the Borrower will create the following security (the "Borrower Security") in favour of the Security Trustee on trust for the Borrower Secured Creditors over all of its property, assets and undertaking (the "Borrower Charged Property"):

- a) fixed charges, mortgages, pledges or, as the case may be, assignments by way of security or assignments in security of or over:
 - i) its interest in the Mortgaged Properties;
 - ii) its share capital;
 - iii) its interest in all Rental Income;
 - iv) any insurances, licences, consents and authorisations (statutory or otherwise) held by the Borrower in connection with the Mortgaged Properties or the use of such Mortgaged Properties and the right to recover and receive all compensation which may be payable in respect thereof;
 - v) its interest in the Borrower Accounts;
 - vi) its interest in any Eligible Investments made from time to time by or on behalf of the Borrower;
 - vii) the benefit of any rights it has in any of the Borrower Transaction Documents; and
- b) a floating charge over all its present and future assets and undertakings deferred in point of priority to any fixed security validly and effectively created by it and as described in paragraph (a) above.

The Borrower Deed of Charge (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

5. The Issuer Security Documents

The Issuer Secured Obligations will be secured, inter alia, by the assets and undertaking of the Issuer.

5.1 The Issuer Deed of Charge

The Issuer and, inter alios, the Security Trustee will enter into a deed of charge (the "Issuer Deed of Charge") on the Closing Date as security for the obligations of the Issuer to the Issuer Secured Creditors under the Issuer Transaction Documents to which it is a party (the "Issuer Secured Obligations").

Under or pursuant to the Issuer Deed of Charge, the Issuer will grant, inter alia, the following security in favour of the Security Trustee on trust for the Issuer Secured Creditors over all of its property, assets and undertaking (the "Issuer Charged Property"):

- a) first priority fixed charges or, as the case may be, assignments by way of security or assignments in security over:
 - i) the Issuer's rights as a secured party under the Borrower Security Documents and any security granted pursuant thereto (including the Issuer's beneficial interest in the security trusts in respect of the Borrower Security Documents);

- ii) the Issuer's rights under the Loan;
 - iii) its share capital;
 - iv) the Issuer's rights in respect of the Issuer Transaction Account;
 - v) any Eligible Investments made from time to time by or on behalf of the Issuer; and
 - vi) the benefit of any rights it has in any of the Issuer Transaction Documents (other than the Trust Deed and the Issuer Deed of Charge); and
- b) a floating charge over all of its present and future assets and undertaking, not subject to fixed security validly and effectively created by it and as described in paragraph (a) above (such security together, the "Issuer Security").

The proceeds of enforcement of the Issuer Security will be applied in accordance with the order of application of payments specified in the Issuer Post-Enforcement Priority of Payments. The Issuer Deed of Charge (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

6. The Property Management Agreement

On the Closing Date the Borrower and the Manager (the "Property Manager") will enter into the Property Management Agreement pursuant to which the Property Manager will be appointed in relation to the Mortgaged Properties on the Closing Date.

Pursuant to the terms of the Property Management Agreement, the Property Manager will be responsible for, inter alia:

- a) the collection of Rental Income in respect of the Mortgaged Properties on behalf of the Borrower which will be paid directly into the Borrower Rent Account;
- b) monitoring the Occupational Tenants' compliance with the covenants in the Occupational Leases;
- c) monitoring the maintenance of insurance by the Borrower;
- d) assisting in relation to alterations, substitutions and disposals of in respect of, the Mortgaged Properties in compliance with the Substitution Agreement and the Loan Agreement; and
- e) taking steps with a view to procuring that the reporting obligations of the Borrower are complied with in accordance with the Loan Agreement.
- f) The appointment of the Property Manager may be terminated by the Borrower (with the prior written consent of the Security Trustee) following a material breach of certain obligations or certain insolvency-related events concerning the Property Manager or a Borrower Enforcement Notice being served. However, the termination of the appointment of the Property Manager will not be effective until a replacement has been appointed by the Borrower in accordance with the Property Management Agreement.

The Property Management Agreement (and any non-contractual obligations arising out of or in connection therewith) will be governed by, and will be construed in accordance with, Dutch law.

H. SUBSTITUTION, ALTERATION AND DISPOSAL OF MORTGAGED PROPERTIES

As at the Closing Date the Borrower will covenant in the Loan Agreement that they will not dispose of, or make Alterations to, the Mortgaged Properties, and the Mortgaged Properties may not be released from the Borrower Level Security, other than pursuant to the Borrower Transaction Documents and, in particular, the Loan Agreement and the Substitution Agreement. The principal terms of the Substitution Agreement are described below.

1. Property Advisor

The Property Advisor, pursuant to the Property Management Agreement, will carry out certain functions, including the delivery of reports and certificates regarding the value of the Mortgaged Properties and, in particular, the delivery of reports and Expected Value regarding Alterations to and substitutions and disposals of, the Mortgaged Properties. Larmag Property Management B.V. is expected to be appointed on or before the Closing Date as the initial Property Advisor.

Insofar as the Security Trustee is required to consent to or approve any matter relating to the substitution, disposal or Alteration of a Mortgaged Property, it will do so, if applicable, upon receipt of one or more certificates from the Property Advisor and/or their advisors certifying that any applicable criteria or tests have been satisfied, without the Security Trustee itself making any independent enquiry or investigation into the relevant matter.

The appointment of the Property Advisor may be terminated by the Issuer (with the consent of the Security Trustee) and by the Security Trustee following a material failure by the Property Advisor to perform its duties under the Property Management Agreement.

The Issuer with the approval of the Security Trustee shall appoint a replacement Property Advisor in the event that the appointment of the Property Advisor is terminated. The termination of the appointment of the Property Advisor shall not be effective until a replacement has been appointed.

2. Disposal of Mortgaged Properties

- A) Subject to paragraph B below and pursuant to the terms of the Loan Agreement, the Borrower will covenant that they will not dispose of any Mortgaged Property or part of any Mortgaged Property without the consent of the Security Trustee, which consent shall be provided if the relevant Mortgaged Property is to be substituted by another property in accordance with and pursuant to the Substitution Agreement (as to which, see the description of the principal terms of the Substitution Agreement) or a disposal due to especially favourable local market conditions for a smaller part of the Property Portfolio (a Minor Disposal) and the proceeds to be used for Eligible Investments;

provided that:

- i) in the case of any proposed disposal of a Mortgaged Property, two directors of the Borrower (as applicable) have certified in writing to the Issuer and the Security Trustee that such disposal is a Permitted Disposal and the type of Permitted Disposal;
- ii) in the case of any disposal that no Loan Event of Default or Loan Potential Event of Default has occurred and is continuing (and has not been waived) at the time of the relevant disposal or will occur as a result of such disposal unless the disposal will cure the Loan Potential Event of Default or, until such time as a Borrower Enforcement Notice is served, the Loan Event of Default)
- iii) in the case of a Minor Disposal, the Property Advisor has certified to the Security Trustee that the transfer or sale will not cause a reduction in the Rental Income of more than 7,5% the proposed disposal, in the case of a Voluntary Disposal, is, or is part of, a transaction which is on arm's length commercial terms (and, for the avoidance of doubt, a disposal to a member of the Larmag Group would not for the sole reason that it is to a member of the Larmag Group be determined not to be on such terms)

- v) in the case of any disposal the Borrower shall have procured in its own favour from the purchaser a covenant to indemnify the Borrower against any future breach of any obligation to which they will remain bound in respect of that Mortgaged Property;
- B) No consent is needed for a disposal of a Mortgaged Property which is by way of a permitted security interest.

3. Alterations of the Mortgaged Properties

Pursuant to the terms of the Loan Agreement the Borrower will covenant that they shall take appropriate steps with a view to ensuring that:

- a) it shall not carry out any major (as defined below) alterations, additions, improvements, extensions in or to and demolition of and the rebuilding and creation of any new buildings or structure on any Mortgaged Property or any part of it ("Alterations"), other than in accordance what is prudent to an owner of property similar to the Mortgaged Property in question;
- b) any Alterations which are to be considered major (such as changing the permitted use of a property or any other alterations which requires local regulatory/zoning/planning approval) to be done with the consent of the Security Trustee

4. The Substitution Agreement

On the Closing Date the Borrower and the Security Trustee will enter into an agreement (the "Substitution Agreement") under which the conditions for substituting a Mortgaged Property will be defined.

4.1 Substitutions

The Property Manager may, for the purpose of improving the overall quality, of the Property Portfolio request to substitute a Mortgaged Property in favour of one or several identified suitable replacements. The identified properties and the certification that these identified properties (together "Incoming Property") meets the criteria for portfolio improvement (as defined below) shall be delivered to the Issuer and the Security Trustee by the Property Advisor. The Cash Manager shall also certify to the Issuer and the Security Trustee that the Borrower shall have enough cash available after the sale of the relevant Mortgaged Property in the Borrower Transaction account to acquire the Incoming Property and that this substitution shall not affect the Borrowers obligations under the Borrower Transaction Documents in a negative way. The Issuer and the Security Trustee shall, subject to these requirements being fulfilled, accept such a substitution.

The following criteria must be satisfied for any substitution, as certified to the Issuer and the Security Trustee:

- a) Value criteria

The Market Value of the Incoming Property subject to and with the benefit of the Occupational Lease of the Incoming Property is at least within 15% of the Market Value of the properties to be substituted (the "Outgoing Property").

All valuations are to be undertaken by the Property Advisor on the basis that it owes a duty of care to the Borrower and the Security Trustee.

- b) Legal/technical and qualitative criteria

- i) The Incoming Property is a completed commercial property with adequate parking and is located within the European Union.
- ii) The Issuer and the Security Trustee receive in respect of the Incoming Property (1) a certificate of title from (as applicable) the Manager's solicitors disclosing no materially adverse matters, (2) a structural report disclosing no materially adverse matters, (3) an environmental report disclosing that the environmental risk is considered to be low and (4) a valuation report as to the Market Value.

c) Commercial criteria

The commercial criteria for substitution are the same as described in Section I.RESOURCES AVAILABLE TO THE BORROWER AND THE ISSUER part 6. Eligible Investments.

(Such criteria in (a) through (c) above are the "Substitution Criteria".)

If the relevant substitution would result in the aggregate principal rents of all Incoming Properties accounting for more than 20% of the aggregate initial principal rents of all of the Mortgaged Properties or if the Substitution Criteria are not met, then the relevant substitution will require the prior written consent of the Security Trustee.

The Borrower will be responsible for all stamp duty land tax, registration and other taxes and duties which are payable in connection with a substitution. All reasonable legal and other costs and expenses incurred by the parties in connection with a substitution are also the Borrowers responsibility. A total purchase costs of up to 10% are allowed.

For the purposes of the Substitution Agreement:

"Market Value", in respect of a Mortgaged Property, has the meaning given to the term Gross market value (including purchase costs) in the Appraisal Manual issued by the RICS current at the time of the valuation (or, failing that, the nearest equivalent document defining generally accepted valuation terms, requirements and practices):

"RICS" means the Royal Institution of Chartered Surveyors.

I. RESOURCES AVAILABLE TO THE BORROWER AND THE ISSUER

The following is intended only to be a summary of certain provisions of the documents relating to the Bonds and the Loan.

1. Bank Accounts

The description of the operation of the Borrower Rent Account and Borrower Transaction Account in this section will only apply prior to the enforcement of the Borrower Level Security. Following the enforcement of the Borrower Level Security, the Borrower Rent Account and Borrower Transaction Account will operate in accordance with the instructions of the Security Trustee or, as the case may be, any receiver appointed under the relevant Borrower Security Document.

The description of the operation of the Issuer Transaction Account in this section will only apply prior to the enforcement of the Issuer Security. Following the enforcement of the Issuer Security, the Issuer Transaction Account will operate in accordance with the instructions of the Security Trustee or, as the case may be any receiver appointed under the Issuer Deed of Charge.

2. The Borrower Rent Account

Following the Closing Date, the Borrower will have directed the Occupational Tenants (in respect of the Mortgaged Properties) to pay all Rental Income payable in respect of the relevant premises within such Mortgaged Properties into the Borrower Rent Account. Pursuant to the terms of the Loan Agreement and the Cash Management Agreement, the Borrower will covenant that they will ensure that, for so long as the Loan remains outstanding, the Occupational Tenants will pay all Rental Income payable in respect of the Mortgaged Properties into the Borrower Rent Account.

Pursuant to the Cash Management Agreement all monies standing to the credit of the Borrower Rent Account on each Calculation Date will be transferred to the Borrower Transaction Account on the immediately following Loan Interest Payment Date.

3. The Borrower Transaction Account

On or before the Closing Date, pursuant to the Account Bank Agreement the Borrower shall establish and maintain an account with the Account Bank into which any part of the proceeds of the Loan will be paid on and to which amounts will be transferred from the Borrower Rent account on each Loan Interest Payment Date (the "Borrower Transaction Account"). Pursuant to the Cash management Agreement, monies standing to the credit of the Borrower Transaction Account (other than sums credited to the Expenses Reserve Ledger) may not be used for any purpose other than:

- a) paying certain expenses of the Borrower relating to the placement of the Bonds (including the Initial Borrower Facility Fee);
- b) acquiring the Property Portfolio;
- c) making Eligible Investments; and
- d) making payments due (or to be provided for) on each Loan Interest Payment Date in accordance with the Cash Management Agreement and the Borrower Security Documents (as applicable).

4. The Expenses Reserve

Pursuant to the Cash Management Agreement, on the Closing Date, the Cash Manager shall create a ledger (the "Expenses Reserve Ledger") on which it will record amounts held as a reserve in the Borrower Transaction Account in order to enable it to meet unexpected expenses of the Borrower and the Issuer. The Borrower will credit 1% of any received loan proceeds ("the Initial Expenses Deposit") to the Expenses Reserve Ledger. The balance on the ledger shall be kept at a maximum (the "Expenses Reserve Ledger Maximum Balance") of €2,000,0000 save for the Initial Expenses Deposit.

5. The Issuer Transaction Account

Pursuant to the Account Bank Agreement, the Issuer shall establish an account in its name with the Account Bank (the "Issuer Transaction Account"). Pursuant to the Cash Management Agreement, monies standing to the credit of the Issuer Transaction Account may not be used for any purpose other than:

- a) making Issuer Eligible Investments; and
- b) making payments due following Bond Interest Payment Date and Final Maturity Date in accordance with the Cash Management Agreement and the Issuer Deed of Charge (as applicable).

6. Eligible Investments

Pursuant to the Cash Management Agreement, amounts held in the Issuer Transaction Account may be invested from time to time in Issuer Eligible Investments by the Cash Manager on a non-discretionary basis (without any liability on the Cash Manager's part) at the direction of the Issuer (in the case of the Issuer Transaction Account).

"Issuer Eligible Investments" mean (a) Euro gilt edged securities; and (b) Euro deposits, provided that in all cases (i) such investments mature on or before the next Calculation Date;

Pursuant to the Cash Management Agreement and the Property Management Agreement amounts held in the Borrower Transaction Account may be invested from time to time in Eligible Investments by the Cash Manager by instruction of the Property Manager on a non-discretionary basis (without any liability on the Cash Manager's part) of behalf of the Borrower.

"Eligible Investments" mean (a) Euro gilt edged securities; and (b) Euro deposits (c) Additional Property (d) Other Financial Investments, provided that in case a-b such investments mature on or before the next Calculation Date;

"Additional Property" mean a property that meets the Acquisition Criteria (as defined below) and a certificate shall be delivered to the Issuer and the Security Trustee by the Property Advisor that the Additional Property meet these criteria. The Cash Manager shall also certify to the Issuer and the Security Trustee that the Borrower shall have enough cash available after the acquisition of the Additional Property in the Borrower Transaction account to acquire the Additional Property and that this acquisition shall not affect the Borrowers obligations under the Borrower Transaction Documents in a negative way. The Issuer and the Security Trustee shall, subject to these requirements being fulfilled, accept the investment in Additional Property.

The following criteria must be satisfied for any acquisition of Additional Property, as certified to the Issuer and the Security Trustee:

- a) Commercial Criteria

Location	In and around the major cities in the Netherlands and other countries within the EU. Focus is on the Netherlands.	Type	Only commercial properties. Office, retail, logistics and light industrial are acceptable. The main focus is on office space.
Tenancy	Multi-tenant properties or single tenant properties	Construction year	At least 80% of the LFA is built later than 1995. Properties which are older should have gone through major renovations.
Quality	Mid to High	WALT	>= Approx. 2,5 years
Vacancy rate cap	30%	Gross yield	>=7%
Maintenance & Repair	The properties shall be well maintained and up to date. No major Capex should be	Property investment strategy	Only focus on cash flow producing properties, no major redevelopments or rezoning projects. Invest in the

	required upon acquisition.		properties to keep them up to date and attract and keep tenants.
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An exception from The Vacancy rate cap, the WALT and Gross yield criteria may be granted for an Additional Property which at the time of acquisition is without a tenant but shows very good probability of being let to a new tenant within the near future post acquisition. Should the Additional Property fall under this exception this has to be certified by the Property Advisor and the Property Manager in writing to the Security Trustee, the Borrower and the Issuer.

“WALT” means the product sum between the remaining lease term until the earlier of a break option date or a lease expiry date multiplied with the lease rental income divided by the total rental income.

b) Legal/technical and qualitative criteria

- i) The Incoming Property is a completed commercial property with adequate parking and is located within the European Union.
- ii) The Issuer and the Security Trustee receive in respect of the Incoming Property (1) a certificate of title from (as applicable) the Manager’s solicitors disclosing no materially adverse matters, (2) a structural report disclosing no materially adverse matters, (3) an environmental report disclosing that the environmental risk is considered to be low and (4) a report as to the Expected Value.

(Such criteria in (a) and (b) above are the "Acquisition Criteria".)

Total purchase costs (this includes transfer tax, notary fees, broker fees etc.) of up to 10% are allowed additional to the purchase price for the acquisition of Additional Property.

“Other Financial Investments” mean a real estate related financial investment with an annual yield of at least 7%. The Borrower may not at any time have more than 10% of the total received Loan proceeds invested into Other Financial Investments. A certificate shall be delivered to the Issuer and the Security Trustee by the Manager that the Other Financial Investments meet these criteria. The Cash Manager shall also certify to the Issuer and the Security Trustee that the Borrower shall have enough cash available after the acquisition of the Other Financial Investments in the Borrower Transaction account to acquire the Other Financial Investments and that this acquisition shall not affect the Borrowers obligations under the Borrower Transaction Documents in a negative way. The Issuer and the Security Trustee shall, subject to these requirements being fulfilled, accept the investment in Other Financial Investments.

7. Application of Borrower Available Funds

Borrower Available Funds together with any amount debited to the Expenses Reserve Ledger, shall be applied in the following order of priority (the "Borrower Pre-Enforcement Priority of Payments"), in each case, only if and to the extent that the payments and provisions of a higher priority have been made in full:

- a) first, in or towards satisfaction of any fees and other remuneration, costs, expenses and any other amounts payable by the Borrower to the Security Trustee and its appointees (if any) under the provisions of the Security Documents on that Loan Interest Payment Date;
- b) second in or towards satisfaction of any amount payable by the Borrower to the Issuer by way of Ongoing Borrower Facility Fee under the Borrower Loan Agreement in respect of the amount payable by the Issuer pursuant to items (a) and (b) of the Issuer Pre-Enforcement Priority of Payments or, as the case may be, item (a) of the Issuer Post-Enforcement Priority of Payments on the immediately following Bond Interest Payment Date;
- c) third, in or towards satisfaction of any operating expenses incurred by the Borrower (such as maintenance, ground lease, taxes and other sundries) and either due or overdue for payment by the Borrower on such Loan Interest Payment Date or certified by the Borrower to the Cash Manager to fall payable by the Borrower during the following Loan Interest Period (other than as provided elsewhere in this priority of payments);
- d) fourth, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of:

- i) the fees and other amounts payable by the Borrower to the Corporate Manager, Property Manager and Trustee Manager pursuant to the relevant agreements on that Loan Interest Payment Date;
- ii) any amount payable by the Borrower to the Property Advisor in respect of the fees and other amounts payable to the Property Advisor pursuant to the Property Advisor Agreement on that Loan Interest Payment Date;
- iii) any amount payable by the Borrower in respect of the fees and other amounts payable to the Account Bank pursuant to the Account Bank Agreement on that Loan Interest Payment Date; and
- iv) any amount payable by the Borrower in respect of the fees and other amounts payable to the Cash Manager pursuant to the Cash Management Agreement on that Loan Interest Payment Date;
- i) fifth, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of all interest payable to the Issuer in respect of the Loan on that Loan Interest Payment Date and, on the first Loan Interest Payment Date;
- ii) seventh, in or towards satisfaction of amounts due in respect of any principal payable to the Issuer in respect of the Borrower Loan on that Loan Interest Payment Date;
- e) fifth, to be retained in the Borrower Transaction Account in an amount equal to the amount by which the balance recorded on the Expenses Reserve Ledger is less than the Expenses Reserve Ledger Maximum Balance;
- f) sixth, in or towards satisfaction of any Substitution; and
- g) seventh, in or towards satisfaction of any Eligible Investment;

"Borrower Available Funds" means, in respect of any Loan Interest Payment Date, the aggregate of:

- a) the Rental Income received by the Borrower during the immediately preceding Calculation Period and which is to be transferred from the Borrower Rent Account to the Borrower Transaction Account on such Loan Interest Payment Date;
- b) any net proceeds in respect of a disposal of a Mortgaged Property not required to be credited to the Borrower Transaction Account during the immediately preceding Calculation Period;
- c) any insurance proceeds on such Loan Interest Payment Date;
- d) any interest received by the Borrower on the Borrower Accounts and the Borrower Rent Account and credited or transferred to the Borrower Transaction Account during the immediately preceding Calculation Period;
- e) any earnings and proceeds from the Borrower making Eligible Investments and credited or transferred to the Borrower Transaction Account during the immediately preceding Calculation Period; and
- f) any other sums standing to the credit of the Borrower Transaction Account (other than sums credited to the Expenses Reserve Ledger) on the Business Day immediately preceding the immediately preceding Calculation Date.

"Calculation Period" means each period from (and including) a Calculation Date (or, in the case of the first Calculation Period, the Closing Date) to (but excluding) the immediately following Calculation Date (or, in the case of the first Calculation Period, the first Calculation Date).

"Loan Interest Period" means the period from (and including) the Closing Date to (but excluding) the first Loan Interest Payment Date and each successive period from (and including) a Loan Interest Payment Date to (but excluding) the next succeeding Loan Interest Payment Date.

All moneys standing to the credit of the Borrower Accounts and the Borrower Rent Account or received by the Security Trustee upon enforcement of the Borrower Level Security following a Borrower Enforcement Notice will be applied in accordance with the Borrower Post-Enforcement Priority of Payments.

8. Application of funds following Borrower Enforcement Notice

Following service of a Borrower Enforcement Notice, all moneys standing to the credit of the Borrower Accounts and the Borrower Rent Account or received by the Security Trustee upon enforcement of the

Borrower Level Security will be applied in the following order of priority (the "Borrower Post-Enforcement Priority of Payments" and, together with the Borrower Pre-Enforcement Priority of Payments the "Borrower Priorities of Payments" and each, a "Borrower Priority of Payments"), in each case, only if and to the extent that payments and provisions of a higher priority have been made in full:

- a) first, in or towards satisfaction of any fees and other remuneration, costs, expenses and any other amounts payable by the Borrower to the Borrower Security Trustee and any receiver appointed by the Borrower Security Trustee and the appointees (if any) of the Borrower Security Trustee under the provisions of the Borrower Security Documents;
- b) second, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of:
 - (i) any amounts payable by the Borrower to the Property Advisor in respect of the fees and other amounts payable to the Property Advisor pursuant to the Property Advisor Agreement;
 - (ii) any amount payable by the Borrower in respect of the fees and other amounts payable to the Account Bank pursuant to the Account Bank Agreement;
 - (iii) any amount payable by the Borrower in respect of the fees and other amounts payable to the Cash Manager pursuant to the Cash Management Agreement;
 - (iv) any amount payable by the Borrower to the Corporate Manager, Trustee Manager pursuant to the relevant agreements; and
 - (v) any amounts due in respect of any ground rent of any Mortgaged Property;
- c) third, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of all interest payable to the Issuer in respect of the Loan;
- d) fourth, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of all principal payable to the Issuer in respect of the Loan;
- e) fifth, in or towards satisfaction of any amounts payable by the Borrower to the Property Manager in respect of the fees and other amounts due to the Property Manager pursuant to the Property Management Agreement;
- f) ninth, in or towards satisfaction of any amounts payable by the Borrower in respect of operating expenses incurred by the Borrower (other than as provided elsewhere in this priority of payments);

9. Application of Issuer Available Funds

Prior to service of a Bond Acceleration Notice, (A) on each Loan Interest Payment Date, all Issuer Available Funds (as defined below) will be applied for the remaining items payable on the immediately following Bond Interest Payment Date in the following order of priority (the "Issuer Pre-Enforcement Priority of Payments"), in each case, only if and to the extent that the payments and provisions of a higher priority have been made in full and (B) on the immediately following Bond Interest Payment Date, in satisfaction of such items provided for on that Loan Interest Payment Date in the same order of priority, in each case, only if and to the extent that the payments of a higher priority have been made in full:

- a) first, in or towards satisfaction of amounts due in respect of the fees and other remuneration, costs, expenses and any other amounts payable by the Issuer to the Bond Trustee, the Security Trustee and their appointees (if any) under the provisions of the Trust Deed and the Issuer Deed of Charge (respectively) on that Bond Interest Payment Date;
- b) second, in or towards satisfaction of any amounts payable by the Issuer in the following Bond Interest Period in respect of operating expenses incurred by the Issuer (other than as provided elsewhere in this priority of payments) on or following the Closing Date, including any amounts payable by the Issuer in respect of the establishment, maintenance and good standing of the Issuer;
- c) third, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of:
 - (i) any amount payable by the Issuer in respect of the fees and other amounts payable to the Corporate Services Provider pursuant to the Corporate Services Agreement on that Bond Interest Payment Date;
 - (ii) any amount payable by the Issuer in respect of the fees and other amounts payable to the Paying Agent and the Registrar under the Paying Agency Agreement on that Bond Interest Payment Date;

- (iii) any amount payable by the Issuer in respect of the Issuer's share of the fees and other amounts payable to the Custodian pursuant to the Custodian Agreement on that Bond Interest Payment Date; and
- (iv) any amount payable by the Issuer in respect of the Issuer's share of the fees and other amounts payable to the Cash Manager pursuant to the Cash Management Agreement on that Bond Interest Payment Date; and
- d) fourth, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of all interest, all principal and any premium payable in respect of the Bonds on that Bond Interest Payment Date;

"Issuer Available Funds" means, in respect of any Loan Interest Payment Date and the immediately following Bond Interest Payment Date, the aggregate of:

- a) all interest, principal and other amounts payable to the Issuer in respect of the Loan on such Loan Interest Payment Date;
- b) interest received by the Issuer on the Issuer Transaction Account during the immediately preceding Calculation Period; and
- c) the earnings and proceeds from the Issuer making any Eligible Investments during the immediately preceding Calculation Period.

10. Application of funds following Bond Acceleration Notice

Following service of a Bond Acceleration Notice, all moneys standing to the credit of the Issuer Transaction Account or received by the Security Trustee upon enforcement of the Issuer Security will be applied in the following order of priority (the "Issuer Post-Enforcement Priority of Payments" and, together with the Issuer Pre-Enforcement Priority of Payments, the "Issuer Priorities of Payments" and each, an "Issuer Priority of Payments"), in each case, only if and to the extent that payments and provisions of a higher priority have been made:

- a) first, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of the fees and other remuneration, costs, expenses and any other amounts payable by the Issuer to the Bond Trustee, the Security Trustee, any receiver appointed by the Bond Trustee and the appointees (if any) of the Trustee and the Security Trustee (respectively) under the provisions of the Trust Deed and the Issuer Deed of Charge;
- b) second, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of:
 - (i) any amount payable by the Issuer in respect of the fees and other amounts payable to the Trustee Corporate Services Provider pursuant to the Trustee Corporate Services Agreement;
 - (ii) any amount payable by the Issuer in respect of the fees and other amounts payable to the Paying Agent and the Registrar under the Paying Agency Agreement;
 - (iii) any amount payable by the Issuer in respect of the Issuer's share of the fees and other amounts payable to the Custodian pursuant to the Custodian Agreement; and
 - (iv) any amount payable by the Issuer in respect of the Issuer's share of the fees and other amounts payable to the Cash Manager pursuant to the Cash Management Agreement;
- c) third, in or towards satisfaction, pro rata and pari passu according to the respective amounts due in respect of all interest, all principal and any premium payable in respect of the Bonds; and
- d) fourth, the surplus (if any) to the Issuer or any other persons entitled thereto (out of which the Issuer will discharge any liability to Dutch corporation tax).

J. USE OF PROCEEDS

The proceeds from the issue of the Bonds will be up to CHF 600,000,000.

On the Closing Date, the Issuer will, subject to and in accordance with the Loan Agreement, as described in the section entitled "Summary of Transaction Documents – The Borrower Loan Agreement, apply all the proceeds from the issue of the Bonds in the manner described in "Transaction Overview".

The expenses to be paid in relation to the admission of the Bonds to trading are estimated to be approximately €50,000.

K. Nordrock Securities B.V. (The Issuer)

Introduction

Nordrock Securities B.V. (the "Issuer") is a private company incorporated in the Netherlands with limited liability under registration number 858297176. The Issuer was on 22 December 2017 operating under the laws of the Netherlands. The address of the Issuer is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands. The telephone number of the Issuer's registered office is + 31 203 547 324. The website of the issuer is: <http://www.nordrock.nl>. The share capital of the Issuer is €1,000,000, divided into 1,000,000 ordinary shares of €1 each of which all are issued but not paid up of which all are held by the Issuer Holdco. The Issuer has no subsidiaries.

Principal Activities

The principal business of the Issuer is to raise or borrow money and to grant security over its assets for such purposes and to lend money with or without security. Since its incorporation, the Issuer has not engaged in any activities other than those incidental to its incorporation and registration and the authorisation of the issue of the Bonds and of the other documents and matters referred to or contemplated in this document and matters which are incidental or ancillary to the foregoing.

The Issuer will covenant to observe certain restrictions on its activities which are detailed in Condition 3 (Covenants). The issuers financial year end date will be on the 31st of December of each year.

Directors

Name	Role	Business Address	Other principal activities
Lars-Erik Magnusson	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	100% shareholder of the Issuer Holdco and CEO and Chairman of the Larmag Group.
Dirk Koster	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	CFO of the Larmag Group.
Maximilian Sandberg	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	Vice President of the Larmag Group.

The Issuer has no employees.

L. Larmag Holding B.V. (The Issuer Holdco)

Introduction

Larmag Holding B.V. ("Issuer Holdco") is a private company incorporated in the Netherlands with limited liability under registration number 855168262. The Issuer Holdco was incorporated as a private limited company on 08 May 2015. The address of the Issuer Holdco is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands. The Issuer Holdco was established for the purpose of financial holdings.

Principal Activities

The business of Issuer Holdco is to hold the share capital of the Issuer and other financial holding activities.

Ownership

100% of the shares in the Issuer Holdco are held by Lars-Erik Magnusson.

Directors

Name	Role	Business Address	Other principal activities
Lars-Erik Magnusson	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	CEO and Chairman of the Larmag Group.

The Issuer Holdco has no employees.

M. Larmag Real Estate 5 B.V. (The Borrower)

Introduction

Larmag Real Estate 5 B.V. ("Borrower") is a private company incorporated in the Netherlands with limited liability under registration number 859312215. The Borrower was incorporated as a private limited company on 30 October 2018 operating under the laws of the Netherlands. The address of the Borrower is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands. The share capital of the Borrower is €1 divided into 1 ordinary shares of €1 each of which all are issued but not paid up of which all are held by the Borrower Holdco Holdco. The Issuer has no subsidiaries.

Principal Activities

The business of the Borrower is to acquire and hold the Property Portfolio as an investment pursuant to the Loan Agreement.

Management

The Borrower has appointed Larmag Property Management B.V. as the Corporate Manager to operate the Borrower and its assets, in accordance with the terms of the Corporate Management Agreement and as described below. The Corporate Manager will not be entitled to any share in the profits, nor be liable for any losses, of the Borrower.

The Corporate Manager has the power and authority to monitor and enforce performance of all rights and obligations of the Borrower pursuant to the Borrower Transaction Documents. In addition, the Corporate Operator has all customary powers, where appropriate, to execute documents, pay fees, maintain bank accounts and delegate powers where appropriate, as specified in more detail in the Corporate Management Agreement.

As at the Closing Date, the Borrower has appointed Larmag Property Management B.V. as the Property Manager, to provide advice in relation to the management of the Mortgaged Properties. The Property Manager will not be entitled to any share in the profits, nor be liable for any losses, of the Borrower. The Borrower will on the Closing Date also Larmag Property Management B.V. as Property Advisor. The Property Advisor will not be entitled to any share in the profits, nor be liable for any losses, of the Borrower.

The Borrower will on the Closing Date also appoint Larmag Property Management B.V. as the Cash Manager to provide cash management services in respect of the Borrower Accounts and the determinations and payments to be made on each Calculation Date and the related Loan Interest Payment Date.

The operation of the Borrower's day-to-day business is delegated to the Corporate Manager, the Cash Manager and the Property Manager. The consent of the Borrower and the Security Trustee will be required for the removal of the existing Corporate Manager and the appointment of a new Corporate Manager, the appointment or removal of the Property Manager or the Property Advisor, the Corporate Manager's proposed appointment of any professional advisors and the approval of any additional funding commitments which the Partnership is to undertake.

Directors

Name	Role	Business Address	Other principal activities
Lars-Erik Magnusson	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	CEO and Chairman of the Larmag Group.

The Borrower has no employees.

N. Larmag Realty Group B.V. (The Borrower Holdco)

Introduction

Larmag Realty Group B.V. ("Borrower Holdco") is a private company incorporated in the Netherlands with under registration number 855769072. The Borrower Holdco was incorporated as a private limited company on 08 May 2015. The address of the Borrower Holdco is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands.

Principal Activities

The business of Borrower Holdco is to hold the share capital of the Borrower and other financial holding activities.

Ownership

100% of the shares in the Borrower Holdco are held by the Issuer Holdco.

Directors

Name	Role	Business Address	Other principal activities
Lars-Erik Magnusson	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	CEO and Chairman of the Larmag Group.

The Borrower Holdco has no employees.

O. Larmag Property Management B.V. (The Manager)

Introduction

Larmag Property Management B.V. ("Manager") is a private company incorporated in the Netherlands with under registration number 855169084. The Borrower Holdco was incorporated as a private limited company on 08 May 2015. The address of the Manager is Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands. The telephone number of the Manager's registered office is + 31 203 547 324.

Principal Activities

The business of the Manager is to manage the real estate investments within the Larmag Group (the trademark of the corporate group in The Netherlands owned by Lars-Erik Magnusson). The Larmag Group was established in 1985 in Amsterdam by Lars-Erik Magnusson and has owned commercial properties with a combined value of more than €5 billion, all under its own management. Larmag Group has owned commercial properties in the Netherlands, Germany, Switzerland, U.K., France, Spain and the U.S.A.

The Dutch market activities started in 1985 when a portfolio of commercial properties was bought for €82.7 million together with a Swedish institutional investor. Larmag Group continued to be active on the Dutch market throughout the 80s and 90s and has owned properties with a combined value of more than €2 billion located in the Netherlands to date. A notable project was the acquisition of the Amsterdam head post office, located next to the Royal Palace in Amsterdam, which was completely re-developed for approx. €30 million into the Magna Plaza shopping center.

Other notable transactions were the acquisition of prime real estate in Chicago and New York in 1989 for a total consideration of \$630m.

During the 2000s Larmag Group focused on Germany and built up a portfolio of 131 commercial properties spread over Germany valued in total at €1 billion.

Larmag Group shifted its focus back to the Dutch market in 2013 and has since then commenced building another commercial property portfolio within that market. More information about the Larmag Group can be found on the website: <http://www.larmag.com>.

Ownership

100% of the shares in the Manager are held by the Borrower Holdco.

Management

The Manager is managed by its Director and its senior management team which have a combined experience of over 150 years in managing commercial properties in the Netherlands and other countries. The management team has experience in managing both private and public entities.

Directors

Name	Role	Business Address	Other principal activities
Lars-Erik Magnusson	Director	Hessenbergweg 101-109, 1101 BS, Amsterdam, The Netherlands	CEO and Chairman of the Larmag Group.

The Manager has 12 employees.

P. Stichting Patroness (The Trustee)

Introduction

Stichting Patroness, a foundation (stichting) incorporated under the laws of the Netherlands, having its corporate seat (statutaire zetel) at Amsterdam, the Netherlands, its registered office at Westerdoksdijk 423, 1013 BX Amsterdam, the Netherlands, and registered with the trade register of the Chamber of Commerce (handelsregister van de Kamer van Koophandel) under number 66814618.

Principal Activities

The business of the Trustee is to hold security granted by the Issuer and the Borrower in favour of the bond holders pursuant to the Security Documents and the Trust Deed.

Ownership

The Trustee is an orphan Dutch foundation.

Management

The Trustee is managed by the professional management and trust company ACT Management Services B.V. pursuant to the Trustee Corporate Services Agreement.

Directors

Name	Role	Business Address	Other principal activities
ACT Management Services B.V.	Sole managing director	Westerdoksdijk 423, 1013 BX Amsterdam, the Netherlands	Management, corporate and financial administration services provider for private and listed entities.

The Trustee has no employees.

Q. Target Summary

The targeted Property Portfolio has been identified and negotiated by the Manager on behalf of the Borrower with the advice of the Property Advisor. The Manager has a long experience in negotiating and managing commercial properties in the Netherlands, Germany and other European countries as well as in the U.S.A. The targeted properties are single-tenant and multi-tenant commercial buildings with a granular tenant mix which serves to spread the tenancy risk. The buildings are spread over more than 40 cities which further mitigates the risk regarding tenancy concentration. The buildings are generally well maintained and does not require any major investments to facilitate continuous letting.

1. Key property facts

The figures quoted below are based on the status of the targeted Property Portfolio before Closing Date and may change. Should the Property Portfolio change the substituted properties would have equivalent characteristics in terms of tenancy, quality and locations.

Location	100% in the Netherlands	Rental Income (€)	47,864,945
Type	100% Commercial	LFA (sqm)	519,089
Land ownership	Freehold	Vacancy (sqm)	136,694
Nr. Buildings	104	Potential income if fully let (€)	61,000,000
Nr. Leases	506	Expected Value (€)	614,500,000
WALT	3.78 years	Potential Value (€)	762,000,000

“Expected Value” means the value of the Property Portfolio based on the assessment of the Manager with the assistance of the Property Advisor. The Expected Value is derived on the basis of the Appraisal Manual issued by the RICS current at the time of the valuation (or, failing that, the nearest equivalent document defining generally accepted valuation terms, requirements and practices) and the experience of the Manager.

“Potential Value” means the Expected Value if the Property Portfolio was fully let.

2. Investment Rationale

The Investment Rationale is based on the opinion of the Manager with advice from the Property Advisor. The Manager has a long track record of reducing vacancies in property portfolios and therefore targets properties with vacant space as are the buildings in the Property Portfolio.

- a) Target WALT is higher than similar portfolios in the market – general WALT in the Netherlands for multi-tenant portfolios in similar locations is approximately 2,5 years.
- b) Target properties are of good quality and technical maintenance has been handled by a professional manager
- c) The tenants can be undermanaged when it comes to tenant investments and improvements
- d) The economic foundation and real estate markets are continuing to improve
- e) Target properties generates a comfortable cash flow which can withstand fluctuations in the tenancies and comfortably service the debt
- f) Potential future capital gains possibilities make for a good refinancing outlook
- g) Some of the properties have excellent rezoning possibilities
- h) The vacant space is a potential upside as the market improves further
- i) The leases are generally indexed annually and as such inflation secured

3. Assumptions for financial projections

The below are general assumptions which have been supplied by the Manager on behalf of the Borrower when making the below Projected Financials for the targeted Property Portfolio. The assumptions may change if the general economic outlook changes or the real estate market changes significantly, for

further information see the section entitled "Risk Factors". The financial projections are also based on the actual current leases, their expiry, actual incentives, actual maintenance costs and other sundries.

- a) The properties have an individually assigned rent levels corresponding to current market rent
- b) New and renewed leases are for a term of 5 years
- c) The total vacancy rate has been reduced from 26% to 20% over a period of 3 years
- d) All new tenants will cost €40/sqm in investments
- e) All new leases have rent free periods of between 15-30% of the lease value
- f) A 3 month period of no income for expired leases until they renew/re-let has been applied to all individual leases

4. Projected Financials

The below financials are the projected financials for the Borrower and commence on 2019-01-01 and are in Euro.

Portfolio financials					
Reference date 2019-01-01	2019	2020	2021	2022	2023
Projected rental income	€ 44 313 215	€ 47 463 992	€ 48 887 812	€ 48 943 000	€ 49 371 769
Income from eligible investments	€ 1 785 640	€ 455 564	€ 561 128	€ 690 145	€ 702 652
Total Rental Income	€ 46 098 855	€ 47 919 556	€ 49 448 941	€ 49 633 146	€ 50 074 421
Operational costs (excl. mgmt)	€ 9 665 965	€ 9 446 506	€ 8 553 320	€ 8 493 425	€ 8 579 491
Lease hold	€ 405 662	€ 411 747	€ 417 923	€ 424 192	€ 430 555
Asset Management Fee	€ 3 918 403	€ 4 073 162	€ 4 203 160	€ 4 218 817	€ 4 256 326
Property Management Fee	€ 691 483	€ 718 793	€ 741 734	€ 744 497	€ 751 116
Ebitda	€ 31 417 342	€ 33 269 348	€ 35 532 804	€ 35 752 214	€ 36 056 933
Bond interest (on 600m CHF at 4,55%)	€ 24 091 655	€ 24 091 655	€ 24 091 655	€ 24 091 655	€ 24 091 655
ICR	1,30	1,38	1,47	1,48	1,50
Earnings before tax	€ 7 325 687	€ 9 177 692	€ 11 441 149	€ 11 660 559	€ 11 965 277
Capex reserve fund	€ 2 000 000	€ 2 000 000	€ 2 000 000	€ 2 000 000	€ 2 000 000
Taxes	€ 1 331 422	€ 1 794 423	€ 2 360 287	€ 2 415 140	€ 2 491 319
Free cash flow	€ 5 994 265	€ 7 383 269	€ 9 080 861	€ 9 245 419	€ 9 473 958

R. PROVISIONS RELATING TO BONDS WHILST IN BOOK-ENTRY FORM

1. General

At the Closing Date, or at the date of any subsequent tranche, the Bonds will be issued in dematerialised bearer form ("Book-entry Form"). The Bonds will, upon issue, be inscribed in the books of the Common Depository which shall credit the accounts of Euroclear or Clearstream, Luxembourg, as the case may be, and will record the beneficial interest in the Bonds ("Book-Entry Interests"), attributable thereto. Book-Entry Interests in respect of Bonds are recorded in denominations of CHF 1000.

Ownership of Book-Entry Interests will be limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("Participants") or persons that hold interests in the Book-Entry Interests through Participants ("Indirect Participants"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants will also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

Each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Bonds under the Trust Deed. See " — Action in Respect of the Book-Entry Interests", below.

Unlike legal owners or holders of the Bonds, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or consents or requests by the Issuer for waivers or other actions from Bondholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg, as the case may be, and, if applicable, their Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default under the Bonds, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Bonds in definitive registered form are issued in accordance with the Conditions. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Purchasers of Book-Entry Interests in a Bond will hold Book-Entry Interests in the Bonds relating thereto. Investors may hold their Book-Entry Interests in respect of a Bond directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under "Transfers and Transfer Restrictions", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Bond on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems. Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Managers, the Bond Trustee, the Security Trustee or any of their respective agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective Participants or account holders of their respective obligations under the rules and procedures governing their operations.

2. Payments on Bond

Payment of principal and interest on, and any other amount due in respect of, the Bond while in Book-Entry Form will be made in Swiss Francs by or to the order of the Paying Agent on behalf of the Issuer to (i) the Common Depositary or its nominee as the registered holder thereof with respect to the Bonds. Each holder of Book-Entry Interests must look solely to the Common Depositary for its share of any amounts paid by or on behalf of the Issuer to the Common Depositary or its nominee in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agent nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Paying Agent to the Common Depositary, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Lead structuring Agent, the Joint

The Manager, the Bond Trustee or the Security Trustee will not have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

3. Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other. Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer, the Bond Trustee or the Security Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Issuer Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

4. Redemption

In the event that the Bond (or portion thereof) is redeemed, the Paying Agent will deliver all amounts received by it in respect of the redemption of the Bond to the Common Depositary and, upon final payment, will surrender the Bond (or portion thereof) to or to the order of the Issuer for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Paying Agent in connection with the redemption of the Bond (or portion thereof) relating thereto. For any redemptions of a Bond in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a pro rata basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Cancellation of any Bond required by the Conditions to be cancelled following its redemption will be effected by endorsement by or on behalf of the Paying Agent of the reduction in the principal amount of the Bond on the relevant Book-Entry Interest.

5. Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See " — General", above.

6. Action in respect of the Book-Entry Interests

Not later than 15 days after receipt by the Issuer of any notices in respect of the Bonds or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Bonds, the Issuer will deliver to the Common Depositary a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Bonds and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Bonds in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under " — General" above, with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Bonds.

S. TERMS AND CONDITIONS OF THE BONDS

The following are the Terms and Conditions of the Bonds in the form (subject to amendment) in which they will be set out in the Trust Deed (the "Conditions" and any reference to a "Condition" shall be construed accordingly). The Conditions will apply to the Bonds whether they are in definitive or in global form.

The CHF 600,000,000 Senior Secured 4.5 per cent Bonds due 31 January 2024 (the "Bonds") of Nordrock Securities B.V. (the "Issuer"), issued on or about 31 January 2019 (the "Closing Date") are constituted in accordance with the trust deed (the "Trust Deed", which expression includes such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) dated the Closing Date and made between the Issuer and the Bond Trustee, which expression includes its successor or any further or other trustee under the Trust Deed as trustee for the holders for the time being of the Bonds (the "Bondholders"). Any reference to Bonds in these Conditions shall include the Book-Entry Interests and the Definitive Bonds (each as defined below). In addition, any reference in these Conditions to "Bondholder" shall be a reference to the holders of the Bonds.

The security for the Bonds is created pursuant to, and on terms set out in, the deed of charge and assignment (the "Issuer Deed of Charge", which expression includes such deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) dated the Closing Date and made between, inter alios, the Issuer and Stichting Patroness (the "Security Trustee", which expression includes any successor appointed under the Issuer Deed of Charge).

By an agency agreement to be dated on or before the Closing Date (the "Paying Agency Agreement", which expression includes such paying agency agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time so modified) and made between the Issuer and ISP Securities as paying agent (the "Paying Agent", which expression includes any successor paying agent appointed in respect of the Bonds) pursuant to the Paying Agency Agreement and SIX SIS AG as registrar (the "Registrar"), provision is made for, inter alia, the payment of principal and interest in respect of the Bonds.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Paying Agency Agreement, the Issuer Deed of Charge signed by, inter alios, the Issuer, the Paying Agent, the Registrar, the Bond Trustee and the Security Trustee on or about the Closing Date.

Copies of the Trust Deed, the Paying Agency Agreement, the Cash Management Agreement, the Issuer Deed of Charge are available for inspection by the Bondholders at the specified offices of the Issuer. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Paying Agency Agreement and the Issuer Deed of Charge.

Capitalised terms not otherwise defined in these Conditions shall have the meanings given to them in the relevant Transaction Documents.

Any credit ratings assigned to the Bonds are not recommendations to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency. By acquiring the Bonds, investors will be deemed to acknowledge and agree that a credit rating is an assessment of credit and does not address other matters that may be of relevance to Bondholders, including, without limitation, whether any action proposed to be taken by the Issuer, the Borrower, the Manager, the Property Manager, the Cash Manager, the Bond Trustee, the Security Trustee or any other party to a Transaction Document is either (i) permitted by the terms of the relevant Transaction Document or (ii) in the best interests of, or not materially prejudicial to the interests of, some or all of the Bondholders.

1. Form, Denomination and Title

The Bonds are issued in dematerialised bearer form (au porteur) in the denomination of CHF 1000 each. Title to the Bonds will be evidenced by book entries ("Book-Entry Interests") in the aggregate principal amount issued. The Bonds will, upon issue, be inscribed in book entry form in the books of SIX SIS AG (the "Common Depository") which shall credit the accounts of the Account Holders. For the purpose of these Conditions, "Account Holders" shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes

depository banks for Clearstream Banking, société anonyme ("Clearstream, Luxembourg") and Euroclear Bank S.A./N.V. ("Euroclear").

Upon issue of the Book-Entry Interests, Clearstream, Luxembourg or Euroclear (as the case may be) will credit each subscriber of the Bonds with the principal amount of Bonds equal to the aggregate principal amount thereof for which it had subscribed and paid. Title to the Book-Entry Interests shall pass by and upon registration in the register (the "Register") which the Issuer shall procure to be kept by the Registrar.

The registered holder of any Book-Entry Interests may (to the fullest extent permitted by applicable laws) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Book-Entry Interests regardless of any notice of ownership, theft or loss of any trust or other interest therein or of any writing thereon (other than the endorsed form of transfer).

Book-Entry Interests will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System. For so long as the Bonds are represented by the Book-Entry Interests and the Clearing Systems so permit, the Bonds will be tradeable only in the minimum authorised denomination of CHF 1000.

- 1.1. If, while the Bonds are represented by the Book-Entry Interests, (i) either of the Clearing Systems is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no other clearing system acceptable to the Bond Trustee is then in existence or (ii) by reason of a change in Tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will on the next Bond Interest Payment Date be required to make any withholding or deduction from any payment in respect of the Bonds for or on account of any Taxes imposed, levied, collected, withheld or assessed by or on behalf of any Tax Authority in the Netherlands (other than by reason of the relevant holder having some connection with the Netherlands, other than the holding of the Bonds) or the Issuer suffers or will suffer any other disadvantage as a result of such change, which withholding or deduction would not be required or other disadvantage would not be suffered (as the case may be) if the Bonds were in definitive registered form ("Definitive Bonds") and a certificate to such effect signed by two directors of the Issuer is given to the Bond Trustee, then the Issuer will issue Definitive Bonds in exchange for the Book-Entry Interests (free of charge to the persons entitled to them) within 30 days of the occurrence of the relevant event. These Conditions and the Transaction Documents will be amended in such manner as the Bond Trustee and the Security Trustee may require taking account of the issue of Definitive Bonds.

Definitive Bonds, if issued, will only be printed and issued in denominations of CHF 1000. Such Bonds will be serially numbered and will be issued in registered form.

Title to a Definitive Bond shall only pass by and upon registration in the Register. Such Definitive Bonds may be transferred in whole (but not in part) upon the surrender of the relevant Definitive Bond, with the form of transfer endorsed on it duly completed and executed, at the specified office of the Bond Trustee.

- 1.2. "Bondholders" means each person (other than the Clearing Systems themselves) who is for the time being shown in the records of the Clearing Systems as the holder of a particular Principal Amount Outstanding (as defined in Condition 5.5 (Redemption, Purchase and Cancellation- Principal Amount Outstanding)) of the Bonds (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear as to the Principal Amount Outstanding of the Bonds standing to the account of any person shall be conclusive and binding for all purposes) and such person shall be treated by the Issuer, the Bond Trustee, the Security Trustee and all other persons as the holder of such Principal Amount Outstanding of such Bonds for all purposes, other than for the purpose of payments in respect thereof, the right to which shall be vested, as against the Issuer, the Bond Trustee, the Security Trustee and all other persons, solely in the registered holder of the Book-Entry Interests in accordance with and subject to its terms and for which purpose "Bondholders" means the registered holder of the Book-Entry Interests and related expressions shall be construed accordingly.

2. Status, Security and Priority

2.1 Status and relationship between the Bonds

- a) The Bonds constitute direct, secured and limited recourse obligations of the Issuer. The Bonds rank pari passu and pro rata without preference or priority amongst themselves
- b) The Trust Deed contains provisions requiring the Bond Trustee to have regard to the interests of the Bondholders equally, as a single class, as regards all rights, powers, trusts, authorities, duties and discretions of the Bond Trustee.

2.2 Relationship between the Bond Trustee and Security Trustee

Subject to the terms of the Issuer Deed of Charge and the Trust Deed, the Bond Trustee has the exclusive right, power and authority to direct, or refrain from directing, the Security Trustee in the exercise of the Security Trustee's rights to enforce the Issuer Deed of Charge or to direct the Security Trustee in the exercise of the Security Trustee's rights to enforce the Borrower Security Documents and in the exercise, or direction of the exercise, of certain other of its rights under the Transaction Documents, Loan Agreement and Borrower Deed of Charge.

2.3 Security

- a) The security constituted by or pursuant to the Issuer Security Documents is granted to the Security Trustee, on trust for the Bondholders and certain other creditors of the Issuer, upon and subject to the terms and conditions thereof.
- b) The Bondholders will share in the benefit of the security constituted by or pursuant to the Issuer Security Documents, upon and subject to the terms and conditions thereof.

3. Covenants

3.1 General covenants

Save with the prior written consent of the Bond Trustee or unless otherwise provided in or envisaged by these Conditions or any of the Issuer Transaction Documents, the Issuer shall not, so long as any Bond remains outstanding:

- a) **Negative pledge**
create or permit to subsist any encumbrance or security interest whatsoever (unless arising by operation of law) over any of its assets or undertaking, present or future (including any uncalled capital);
- b) **Restrictions on activities**
 - (i) engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage;
 - (ii) have any subsidiaries, any subsidiary undertaking or any employees or premises; or
 - (iii) acquire any leasehold, freehold or heritable property;
- c) **Disposal of assets**
use, invest, transfer, convey, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire, any of its assets or undertaking (including any uncalled capital) or any interest, estate, right, title or benefit therein, present or future;
- d) **Dividends or distributions**
pay any dividend or make any other distribution to its shareholders or issue any further shares;
- e) **Borrowings**
incur or permit to subsist any indebtedness in respect of borrowed money whatsoever, except in respect of the Bonds, or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any person;

- f) **Merger**
consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person;
- g) **No variation or waiver**
permit the validity or effectiveness of any of the Issuer Transaction Documents, or the priority of the security interests created or evidenced thereby or pursuant thereto, to be amended, terminated, postponed or discharged, or consent to any variation of, or exercise, any powers of consent or waiver pursuant to the terms of, these Conditions, the Trust Deed or any of the other Issuer Transaction Documents, or permit any party to any of the Issuer Transaction Documents or the Issuer Security or any other person whose obligations form part of the Issuer Security to be released from such obligations, or dispose of any part of the Issuer Security;
- h) **Bank accounts**
have an interest in any bank account other than the Issuer Transaction Account, unless such account or interest therein is charged to the Bond Trustee on terms acceptable to it;
- i) **Tax residence**
do any act or thing, the effect of which would be to make the Issuer resident for Tax purposes in any jurisdiction other than the Netherlands;
- j) **Group payment arrangements**
enter into arrangements with any other company or companies and/or any Tax Authority providing for the discharge of any other company's Tax liability by it; and
- k) **Additional issuances**
issue any further bonds, replacement bonds or new bonds or any other securities, debentures or any similar instruments except for a potential tap issuance under the same terms and conditions as the Bonds (an increase in total size).

3.2 Separateness covenants

Save with the prior written consent of the Bond Trustee, or unless otherwise permitted under any of the Transaction Documents, the Issuer shall, so long as any Bond remains outstanding:

- a) maintain its books and records, accounts and financial statements separate from any other person or entity and use separate stationery, invoices and cheques;
- b) hold itself out as a separate entity, conduct its business in its own name and maintain an arm's-length relationship with its affiliates (if any);
- c) pay its own liabilities out of its own funds;
- d) not commingle its assets with those of any other entity; and
- e) observe all formalities required by its Memorandum and Articles of Association.

4. Interest

4.1 Period of accrual

The Bonds bear interest on their Principal Amount Outstanding from (and including) the Closing Date. Each Bond (or, in the case of the redemption of part only of a Bond, that part only of such Bond) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (as well after as before any judgment or decree) at the rate applicable to such Bond up to (but excluding) the date on which, on presentation of such Bond, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given to the holder thereof (in accordance with Condition 14 (Notices to the Bondholders)) that, upon presentation thereof being duly made, such payment will be made, provided that upon presentation thereof being duly made, payment is in fact made.

4.2 Bond Interest Payment Dates and Bond Interest Periods

The Bonds bear interest on their respective Principal Amount Outstanding from and including the Closing Date at the rate of 4.5 per cent. per annum, payable semi-annually in arrears on 31 January and 31 July (each a "Bond Interest Payment Date") in respect of the Bond Interest Period (as defined below) ended immediately prior thereto. The first Bond Interest Payment Date shall be due on 31 July 2019. The period from (and including) the Closing Date to (but excluding) the first Bond Interest Payment Date and each successive period from (and including) a Bond Interest Payment Date to (but excluding) the next succeeding Bond Interest Payment Date is called a "Bond Interest Period".

4.3 Calculation of Interest Amounts

Interest in respect of the Bonds shall be calculated by applying the relevant rate of interest to the actual day count fraction for the relevant Period of accrual, defined as Actual/Actual (ISDA) by the International Swaps and Derivatives Association, Inc.

That means applying the interest rate on the aggregate Principal Amount Outstanding of the Bonds and multiplied by the actual number of days in the period from and including the date from which interest begins to accrue (the "Accrual Date") to but excluding the date on which it falls due divided by the actual number of days in the relevant calendar period.

The resulting figure shall be rounded downwards to the nearest Swiss Franc centime.

5. Redemption, Purchase and Cancellation

5.1 Final redemption

Unless previously redeemed in full as provided in this Condition 5 (Redemption, Purchase and Cancellation) the Issuer shall redeem the Bonds at their Principal Amount Outstanding on the Bond Interest Payment Date falling on 31 January 2024 (the "Final Maturity Date"), together (if applicable) with accrued but unpaid interest on their Principal Amount Outstanding up to but excluding the Final Maturity Date. The Issuer may not redeem the Bonds in whole or in part prior to the Final Maturity Date, except as provided in Condition 5.2 (Redemption, Purchase and Cancellation – Optional redemption due to change of tax law and illegality) but without prejudice to Condition 9 (Bond Events of Default).

5.2 Optional redemption due to change of tax law and illegality

If:

- (i) by reason of a change in Tax law (or the application or official interpretation thereof), which change becomes effective on or after the Closing Date, the Issuer would, on the next Bond Interest Payment Date, be required to withhold or deduct an amount for or on account of any Taxes imposed, levied, collected, withheld or assessed by any Tax Authority from any payment of principal or interest in respect of any Bond; or
- (ii) by reason of a change in law which change becomes effective on or after the Closing Date, it would be unlawful for the Issuer to make, fund or allow to remain outstanding, advances made or to be made under the Loan Agreement and such event is materially prejudicial to the interests of the Bondholders in the opinion of the Bond Trustee,

then the Issuer shall inform the Bond Trustee promptly upon becoming aware of the same and shall, where relevant to the Issuer, use its reasonable endeavours (but at no material cost) to mitigate the effects of the occurrence of the relevant event described in (i) and (ii) above, including, without limitation and where appropriate, by way of arranging for the substitution of another company (approved in writing by the Bond Trustee) as principal debtor under the Bonds and as lender under the Loan Agreement.

If the Issuer is unable to arrange a substitution as described above or otherwise to mitigate the effects of the occurrence of the relevant event in each case at a cost which is not material, or to do so would not avoid the relevant event described in (i) or (ii) above, then the Issuer may, on any Bond Interest Payment

Date on which the relevant event described in (i) or (ii) above, is continuing, and having given not more than 40 days' nor less than 20 days' notice to the Bond Trustee and to the Bondholders in accordance with Condition 14 (Notices to the Bondholders), redeem all (but not some only) of the Bonds on the immediately following Bond Interest Payment Date at their Principal Amount Outstanding, together with any accrued but unpaid interest on their Principal Amount Outstanding up to (but excluding) such Bond Interest Payment Date, provided that, prior to the publication of each notice of redemption the Issuer has provided to the Bond Trustee:

- a) evidence satisfactory to the Bond Trustee that the optional redemption may be exercised under this Condition 5.4 (Redemption, Purchase and Cancellation - Optional redemption due to change of tax law and illegality) (including such legal opinions and certificates of the directors or other authorised persons of each relevant entity, if any, as the Bond Trustee may require); and
- b) a certificate signed by two directors of the Issuer to the effect that it has or will have the funds on the relevant Bond Interest Payment Date, not subject to the interest of any other person, required to redeem the Bonds pursuant to this Condition 5.4 (Redemption, Purchase and Cancellation - Optional redemption due to change of tax law and illegality) and meet its payment obligations of a higher priority under the Issuer Pre-Enforcement Priority of Payments.

5.3 Principal Amount Outstanding

The "Principal Amount Outstanding" of a Bond on any date shall be its original principal amount in respect of such Bond which have become due and payable since the Closing Date, except if and to the extent that any such payment has been improperly withheld or refused. The principal amount (if any) to be redeemed in respect of each Bond on any Bond Interest Payment Date under Condition 5 (Redemption, Purchase and Cancellation - Redemption, Purchase and Cancellation) shall, in relation to the Bonds, be a pro rata share of the aggregate amount required to be applied in redemption of the Bonds on such Bond Interest Payment Date under Condition 5 (Redemption, Purchase and Cancellation - Redemption, Purchase and Cancellation) (rounded down to the nearest cent), provided always that no such payment may exceed the Principal Amount Outstanding of the relevant Bond.

5.4 No purchase by the Issuer

None of the Issuer, any holding company of the Issuer or any subsidiary of such holding company will be permitted to purchase any of the Bonds.

5.5 Cancellation

All Bonds redeemed in full pursuant to the foregoing provisions will be cancelled upon redemption and may not be resold or re-issued.

6. Payments

6.1 Payments in respect of the Bonds

Payments in respect of principal, premium (if any) and interest in respect of any Book-Entry Interests will be made only to the registered holder of the Book-Entry Interests shown on the Register as at the Record Date as defined in Condition 6.5 (Record Date). A record of each payment of principal, premium or interest made in respect of a Book-Entry Interests will be made by the Registrar in the Register and such record shall be prima facie evidence that the payment in question has been made. No person appearing from time to time in the records of either of the Clearing Systems as the holder of a Bond shall have any claim directly against the Issuer in respect of payments due on such Bond whilst such Bond is represented by the Book-Entry Interests and the Issuer shall be discharged by payment of the relevant amount to the registered holder of the Book-Entry Interests.

6.2 Method of payment

Payments will be made by credit or transfer to an account in Swiss Francs maintained by the payee.

6.3 Change of Paying Agent

The Paying Agent and the Registrar and their initial specified offices are listed at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Bond Trustee, at any time to vary or terminate the appointment of the Paying Agent and/or the Registrar and to appoint additional or other Agents and/or Registrar. The Issuer will at all times maintain a Registrar. The Issuer will maintain a Paying Agent in Switzerland or an EU member state that will not be obliged to withhold or deduct any amount for or on account of any Tax pursuant to the European Union Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, that Directive. The Issuer will cause at least 30 days' notice of any change in or addition to the Paying Agent and/or the Registrar or their specified offices to be given in accordance with Condition 14 (Notices to the Bondholders).

6.4 Payments subject to applicable laws

Payments in respect of principal, premium (if any) and interest on the Bonds are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

6.5 Record Date

Each payment in respect of a Bond will be made to the persons shown as the holder in the Register at the opening of business in the place of the Registrar's registered office on the fifteenth day before the due date for such payment (the "Record Date"). Where payment in respect of a Bond is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

6.6 Non-Business Days

Any payment in respect of the Bonds which is due on a day which is not a Business Day, shall be made on the next Business Day in the calendar month (if there is one) or on the preceding Business Day (if there is not).

"Business Day" means a day which is both a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Switzerland and the Netherlands.

7. Taxation

All payments in respect of the Bonds will be made without withholding or deduction for or on account of any Tax, unless the Issuer or any Paying Agent is required by applicable law to make any payment in respect of the Bonds subject to any such withholding or deduction. In that event, the Issuer or such Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor any Paying Agent nor any other person will be obliged to make any additional payments to the Bondholders in respect of any amounts so withheld or deducted.

8. Prescription

Claims for principal shall become void unless the Bonds are presented for payment within a period of five years from the relevant date in respect thereof. Claims for interest shall become void unless the Bonds are presented for payment within a period of three years from the relevant date in respect thereof. After the date on which a Bond becomes void in its entirety, no claim may be made in respect thereof. In this Condition 8 (Prescription), the "relevant date" is the date on which the payment in question first becomes

due or (if the full amount of the monies payable has not been duly received by the Paying Agent or the Bond Trustee on or prior to such date) the date on which the full amount of such monies having been so received, notice to that effect is duly given to the Bondholders in accordance with Condition 14 (Notices to the Bondholders).

9. Bond Events of Default

9.1 Bond Acceleration Notice

The Bond Trustee at its absolute discretion may, and if so requested in writing by the holders of at least one-fifth in aggregate Principal Amount Outstanding of the Bonds or if so directed by a resolution of the Bondholders passed as an extraordinary resolution under the terms of the Trust Deed (an "Extraordinary Resolution") shall, (subject, in each case, to being indemnified and/or pre-funded and/or secured to its satisfaction), but, in the case of the happening of any of the events described in sub-paragraph (b), only if the Bond Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Bondholders, give notice (a "Bond Acceleration Notice") to the Issuer that the Bonds are immediately due and repayable at their respective Principal Amount Outstanding, together with accrued interest as provided in the Trust Deed, in any of the following events (each, a "Bond Event of Default"):

- a) if default is made in the payment of any principal, premium or interest due in respect of the Bonds and the default continues for a period of five Business Days; or
- b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or any Transaction Document to which it is a party and (except in any case where the Bond Trustee or, in the case of the Issuer Deed of Charge, the Security Trustee considers the failure to be incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for a period of 30 days (or such longer period as the Bond Trustee may permit) following the service by the Bond Trustee or, as the case may be, the Security Trustee on the Issuer of notice requiring the same to be remedied; or
- c) if any order is made by any competent court or any resolution is passed for the winding-up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Bond Trustee or by Extraordinary Resolution of the Bondholders; or
- d) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of reorganisation on terms approved in writing by the Bond Trustee or by Extraordinary Resolutions of the Bondholders, or the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law or is adjudicated or found bankrupt or insolvent; or
- e) if (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including, but not limited to, application to the court for an administration order, the filing of documents with the court for the appointment of an administrator or the service of a notice of intention to appoint an administrator) or an administration order is granted or the appointment of an administrator takes effect or an administrative or other receiver, manager or other similar official is appointed, in relation to the Issuer or in relation to the whole or any part of the undertaking or assets of the Issuer or an encumbrancer takes possession of the whole or any part of the undertaking or assets of the Issuer or a distress, execution, diligence, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any part of the undertaking or assets of the Issuer and (ii), in the case of any such possession or any such last-mentioned process, unless initiated by the Issuer, is not discharged or otherwise ceases to apply within 14 days; or
- f) if the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or takes steps with a view to obtaining a moratorium in respect of any of its indebtedness or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- g) if a Borrower Enforcement Notice is served pursuant to the Loan Agreement.

9.2 Consequences of Bond Acceleration Notice

Upon the giving of a Bond Acceleration Notice in accordance with Condition 9.1 (Bond Events of Default - Bond Acceleration Notice), the Bonds then outstanding shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest as provided in the Trust Deed and the Issuer Security shall become enforceable by the Security Trustee in accordance with the Issuer Deed of Charge.

10. Enforcement

The Bond Trustee may, at any time, at its discretion and without notice, take such action under or in connection with the Transaction Documents as it may think fit (including, without limitation, directing the Security Trustee to take any action under or in connection with any of the Transaction Documents or, after the giving of a Bond Acceleration Notice, to take steps to enforce the security constituted by the Issuer Security Documents or directing the Security Trustee to direct the Borrower Security Trustee to take action under or in connection with any of the Transaction Documents or, after giving a Borrower Enforcement Notice, to take steps to enforce the security constituted by the Borrower Security Documents) provided that:

- a) the Bond Trustee shall not be bound to take any such action unless it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-fifth in aggregate Principal Amount Outstanding of the Bonds;
- b) the Security Trustee shall not, and shall not be bound to, take any such action unless it shall have been so directed by (i) the Bond Trustee or (ii) if there are no Bonds outstanding, all of the other Issuer Secured Creditors;
- c) neither the Bond Trustee nor the Security Trustee shall be bound to take any such action unless it shall have been indemnified and/or secured and/or pre-funded to its satisfaction; and
- d) neither the Bond Trustee nor the Security Trustee shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer.

Notwithstanding the foregoing, the Issuer Deed of Charge will provide that the Security Trustee shall enforce the security constituted by the Issuer Deed of Charge by appointing an administrative receiver in respect of the Issuer if it has actual notice of (i) an application for the appointment of an administrator in respect of the Issuer or (ii) the giving of a notice of intention to appoint an administrator in respect of the Issuer, such appointment of an administrative receiver to take effect not later than the final day by which the appointment must be made in order to prevent an administration proceeding unless, in any such case, to do so would in the opinion of the Security Trustee be materially prejudicial to the interests of the Bondholders and the Rating Agencies have confirmed that not so appointing an administrative receiver of the Issuer would not have an adverse effect on their then current ratings of any of the Bonds.

The Issuer Deed of Charge will further provide that (i) the Security Trustee will not be liable for any failure to appoint an administrative receiver in respect of the Issuer, save in the case of its own gross negligence, wilful default or fraud and (ii) in the event that the Security Trustee appoints an administrative receiver in respect of the Issuer under the Issuer Deed of Charge in the circumstances set out in the paragraph above, then the Issuer shall waive any claims against the Security Trustee in respect of the appointment of the administrative receiver.

11. Limited recourse

No Bondholder shall be entitled to proceed directly against the Issuer or any other party to any of the Transaction Documents to enforce the performance of any of the provisions of the Transaction Documents and/or to take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer unless the Bond Trustee or, as the case may be, the Security Trustee, having become bound so to do, fails to do so within a reasonable period and such failure shall be continuing, provided that no Bondholder shall be entitled to take any steps or proceedings to procure the winding-up, administration or liquidation of the Issuer.

If:

- a) there is no Issuer Charged Property remaining which is capable of being realised or otherwise converted into cash;

- b) all amounts available from the Issuer Charged Property have been applied to meet or provide for the relevant obligations specified in, and in accordance with, the provisions of the Issuer Security Documents; and
- c) there are insufficient amounts available from the Issuer Charged Property to pay in full, in accordance with the provisions of the Issuer Security Documents, the amounts outstanding under the Bonds (including payments of principal, premium (if any) and interest,

then the Bondholders shall have no further claim against the Issuer in respect of any amounts owing to them which remain unpaid (including, for the avoidance of doubt, payments of principal, premium (if any) and/or interest in respect of the Bonds) and such unpaid amounts shall be deemed to be discharged in full and any relevant payment rights shall be deemed to cease.

12. Meetings of Bondholders, Modifications and Waivers

- 12.1. The Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests including the sanctioning by Extraordinary Resolution of a Basic Terms Modification or any breach of these Conditions or the provisions of any of the Transaction Documents.
- 12.2. The quorum at any meeting of the Bondholders for passing an Extraordinary Resolution shall be one or more persons holding or representing not less than 50 per cent. in principal amount of the Bonds then outstanding or, at any adjourned meeting, one or more persons being or representing Bondholders whatever the aggregate Principal Amount Outstanding of the Bonds then outstanding so held or represented.
- 12.3. The quorum at any meeting of Bondholders for passing an Extraordinary Resolution to sanction a modification of the date of maturity of any Bonds or which would have the effect of postponing any day for payment of interest or principal thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Bonds, altering the currency of payment of the Bonds or altering the quorum or majority required in relation to this exception or modifying this exception (each, a "Basic Terms Modification") shall be one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than one-quarter of the aggregate Principal Amount Outstanding of the Bonds.
- 12.4. The Bond Trustee may agree with, or direct the Security Trustee to agree with, or to direct the Security Trustee to direct the Borrower Security Trustee to agree with, the Issuer, an Obligor or any other person, without the consent of the Bondholders to any modification (except a Basic Terms Modification) or to any waiver or authorisation of any breach or proposed breach of these Conditions or any of the Transaction Documents:
 - a) which in the opinion of the Bond Trustee, is not materially prejudicial to the interests of the Bondholders; or
 - b) which, in the opinion of the Bond Trustee, is to correct a manifest error or is of a formal, minor or technical nature.
- 12.5. The Bond Trustee may also, without the consent of the Bondholders, determine that a Bond Event of Default shall not or shall not subject to specified conditions, be treated as such. Any such modification, abrogation, waiver, authorisation or determination shall be binding on the Bondholders and, unless the Bond Trustee agrees otherwise, any such modification, abrogation, waiver, authorisation or determination shall be notified to the Bondholders as soon as practicable thereafter in accordance with Condition 14 (Notices to the Bondholders).
- 12.6. Where the Bond Trustee is required, in connection with the exercise of its powers, trusts, authorities, duties and discretions, to have regard to the interests of the Bondholders, it shall have regard to the interests of the Bondholders as a class and, in particular but without prejudice to the generality of the foregoing, the Bond Trustee shall not have regard to, or be in any way liable for, the consequences of such exercise for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Bond Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

- 12.7. The Trust Deed contains provisions under which any company may, without the consent of the Bondholders, assume the obligations of the Issuer as principal debtor under the Trust Deed and the Bonds provided that certain conditions specified in the Trust Deed are fulfilled. No Bondholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Bondholder.

13. Indemnification and exoneration of the Bond Trustee

The Trust Deed, the Issuer Deed of Charge and certain of the Issuer Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of each of the Bond Trustee and the Security Trustee and for its indemnification in certain circumstances, including provisions relieving it from taking enforcement proceedings or enforcing (or, in the case of the Bond Trustee, directing the Security Trustee to enforce) to enforce the Borrower Level Security unless indemnified and/or secured and/or pre-funded to its satisfaction. The Bond Trustee and the Security Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Issuer Security or Borrower Level Security, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of other parties to the Transaction Documents, clearing organisations or their operators or by intermediaries such as banks, depositories, warehousemen or other similar persons on behalf of the Bond Trustee or the Security Trustee.

The Trust Deed and the Issuer Deed of Charge also contain provisions pursuant to which the Bond Trustee and the Issuer Security Trustee are entitled, inter alia, (i) to enter into business transactions with the Issuer and/or any other person who is party to the Issuer Transaction Documents or whose obligations are comprised in the Issuer Security and/or the Borrower Level Security and/or any of their subsidiary or associated companies and to act as trustee for the holders of any other securities issued by or relating to the Issuer and/or any of their subsidiary or associated companies, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties, under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of the Bondholders and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

14. Notices to the Bondholders

Any notice shall be deemed to have been duly given to the relevant Bondholders if sent to the Clearing Systems for communication by them to the holders of the Bonds and shall be deemed to be given on the date on which it was so sent and (so long as the relevant Bonds are admitted to the Frankfurt Stock Exchange) any notice shall also be published in accordance with the relevant rules and regulations. The Bond Trustee shall be at liberty to sanction some other method of giving notice to the Bondholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which the relevant Bonds are then admitted to trading and provided that notice of such other method is given to the Bondholders in such manner as the Bond Trustee shall require.

15. Governing law

The Trust Deed, the Issuer Deed of Charge, the other Issuer Transaction Documents, these Conditions and the Bonds (and, in each case, any non-contractual obligations arising out of or in connection with the same) are governed by, and shall be construed in accordance with the laws of the Netherlands ("Dutch law").

T. SUBSCRIPTION AND SALE

The Issuer and the Borrower agreed, jointly and severally, subject to certain conditions, to procure subscribers and pay for the Bonds. The Issuer will only allow subscriptions of Bonds in lots larger than or equal to €100,000 (the equivalent in Swiss francs). The Bonds may only be distributed to qualified investors. Furthermore, the sale of the Bonds to non-qualified investors by the Issuer is prohibited. The Bonds shall be distributed only by way of private placement.

The Issuer has agreed to pay any brokers or intermediaries facilitating subscriptions a selling commission. On the Closing Date, pursuant to the terms of the Loan Agreement, the Borrower will pay the Initial Borrower Facility Fee to the Issuer, which will be equal to all fees, costs and expenses properly and reasonably incurred by the Issuer on or before the Closing Date in connection with the issue of the Bonds, including the selling commissions referred to above.

United States

The Bonds have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from registration requirements. Accordingly, the Bonds are being offered and sold in offshore transactions in reliance on Regulation S. The purchaser of the Bonds will agree that, except as permitted by the Subscription Agreement, it will not offer or sell the Bonds as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering and the closing date within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each affiliate or other dealer (if any) to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Each purchaser of the Bonds (which term for the purposes of this section will be deemed to include any interests in the Bonds, including Book-Entry Interests) will be deemed to have represented and agreed as follows:

- a) the Bonds have not been and will not be registered under the Securities Act and such Bonds are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Bonds, then it agrees that it will offer, resell, pledge or transfer such Bonds only (i) to a purchaser who is not a U.S. person (as defined in Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate, and who is not acquiring the Bonds for the account or benefit of a U.S. person and who is acquiring the Bonds in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States, provided that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control; and
- b) unless the relevant legend set out below has been removed from the Bonds such purchaser shall notify each transferee of Bonds (as applicable) from it that (i) such Bonds have not been registered under the Securities Act, (ii) the holder of such Bonds is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Bonds in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing.

The Issuer, the Registrar, Paying Agent and their affiliates and others will rely upon the truth and import of the foregoing acknowledgments, representations and agreements.

The Bonds will bear a legend to the following effect:

"THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) (1) AS PART OF THEIR DISTRIBUTION AT ANY TIME OR (2) OTHERWISE PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE BONDS

AND THE CLOSING OF THE OFFERING OF THE BONDS, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES."

General

Except for the approval of this document by the Frankfurt Stock Exchange, no action has been or is being taken by the Issuer in any jurisdiction which would or is intended to permit a public offering of the Bonds, or the possession, circulation or distribution of this document or any other material relating to the Issuer in any country or jurisdiction where action for that purpose is required.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation in or from any jurisdiction where such an offer or solicitation is not authorised. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this document nor any other circular, memorandum, form of application, advertisement or other material in connection with the Bonds may be distributed in or from or published in any country or jurisdiction, except under circumstances which will result in compliance with applicable laws and regulations of any such country or jurisdiction.

Each broker or intermediary has undertaken to the Issuer that it will not, directly or indirectly, offer or sell any Bonds, or distribute this document or any other material relating to the Bonds, in or from any country or jurisdiction except in circumstances that will result in compliance with applicable law and regulation.

U. GENERAL INFORMATION

1. The issue of the Bonds will be authorised by resolution of the board of directors of the Issuer passed on or before Closing Date.
2. It is expected that the Bonds will be admitted to trading on the Frankfurt Stock Exchange on or about the Closing Date.
3. It is expected that the Bonds will be accepted for clearance through Euroclear and Clearstream with the following ISIN CH0420638238
4. So long as the Bonds are admitted to trading on the Frankfurt Stock Exchange the most recently published audited annual accounts of the Issuer from time to time will be available at the specified office of the Issuer. The Issuer may at its discretion publish interim and annual accounts on its website.
5. None of the Issuer or the Borrower is nor has been involved in any governmental, legal or arbitration proceedings which may have, or have had since the date of its incorporation, a significant effect on its financial position, nor is the Issuer or the Borrower aware that any such proceedings are pending or threatened against it.
6. Since the date of their incorporation, each of the Issuer and the Borrower has not commenced operations and has not prepared any audited accounts.
7. Save as disclosed in this document, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages, standard securities, charges or given any guarantees.
8. Save as disclosed in this document, the Borrower has no Borrower contributions, borrowings or indebtedness or contingent liabilities, nor has the Borrower created any mortgages, standard securities, charges or given any guarantees.
9. Copies of the following documents may be inspected in physical form during usual business hours on any week day (excluding Saturdays and public holidays) at the registered offices of the Issuer from the date of this Memorandum and for so long as the Bonds are listed on the Frankfurt Stock Exchange:
 - a) the Memorandum and Articles of Association of the Issuer;
 - b) the Memorandum and Articles of Association of the Borrower;
 - c) the Subscription Agreement;
 - d) copies of the execution versions of the following Transaction Documents:
 - (i) the Trust Deed;
 - (ii) the Paying Agency Agreement;
 - (iii) the Cash Management Agreement;
 - (iv) the Issuer Deed of Charge;
 - (v) the Loan Agreement;
 - (vi) The Borrower Deed of Charge;
 - (vii) the Substitution agreement
 - (viii) the Property Management agreement and
 - e) the valuation reports post acquisition;
10. The Issuer will provide post-issuance transaction information (including the balance of the Accounts and the payments made under the Borrower Priorities of Payments and the Issuer Priorities of Payments) on a semi-annual basis in relation to the Bonds and the Borrower Loan and on an annual basis in relation to value of the Mortgaged Properties. Such information will be sent to the Rating Agencies and made available to Bondholders on Bloomberg (or such other information service as is notified to Bondholders from time to time).