

**22 December 2000**

27 November 2000  
(amended by supplemental agreement on 22 December 2000)

**LIBRAVOU**  
**DEBT MUTUAL FUND**  
**REGULATIONS**  
**(SPECIAL REGULATIONS GOVERNING THE**  
**FL1 COMPARTMENT)**

(Act no. 88-1201 of 23 December 1988, as amended)

*ABC Management*  
*Management Company*

***COMPAGNIE FINANCIÈRE POUR LA DISTRIBUTION – COFIDIS***  
*Custodian*

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**LIBRAVOU**  
**DEBT MUTUAL FUND**  
**SPECIAL REGULATIONS GOVERNING**  
**THE FL1 COMPARTMENT**

**FOREWORD**

1. On 28 November 2000, ABC Management (the "Management Company") and Cofidis (the "Custodian") created a debt mutual fund called Libravou (the "Fund"), governed by Articles 26 and 34-41 of the Act of 23 December 1988 as amended and by Decree no. 89-158 of 9 March 1989 as amended, and any other legal instruments which might amend and complete them.
2. On that same day, the Management Company and the Custodian signed the Fund's general regulations (the "General Regulations"), which provide that the Fund may acquire loans from Compagnie Financière pour la Distribution – Cofidis, or any other credit institutions which have direct or indirect ownership links with Cofidis giving one of the connected parties an effective power of control over the others (more than half the voting rights). The Fund may comprise several different compartments, each compartment giving rise to the issuance of units representing the assets allocated to that compartment by the Fund, in accordance with the provisions of the aforesaid Act.
3. Prior to the creation of a new compartment, the Management Company and Custodian shall sign a set of special regulations applicable to that compartment, which *inter alia* set forth the terms and conditions relating to the acquisition of loans and the issuance of units, the risk protection mechanisms afforded to the unit holders and, where applicable, the conditions under which the compartment may contract borrowings. The special regulations shall also specify, where applicable, whether the Fund may acquire new loans to be allocated to the Compartment after the initial issuance of units representing the Compartment's assets, and/or issue new units representing the said assets.
4. A compartment called FL1 (the "Compartment") was created on 28 November 2000. Its assets will comprise loans arising from the use of revolving credit facilities granted to private individuals, acquired by the Fund from Cofidis, in accordance with the terms of a loan assignment and management agreement dated 27 November 2000. To this effect, the Management Company and Custodian have signed these special regulations governing the Compartment (the "Special Regulations").
5. Capitalised nouns and expressions used herein shall have the meaning given to them in Appendix 1 hereto entitled Definitions.

## **PART I - NAME - PURPOSE - TERM**

### **Article 1 – Name**

The Compartment is called FL1.

### **Article 2 – Purpose**

The Compartment shall be allocated loans acquired by the Fund from the Originator. These Loans arise or will arise from the use of revolving credit facilities granted by Cofidis to private individuals. The Fund shall issue Units representing the assets allocated to the Compartment.

By subscribing for or acquiring a Unit, the subscriber or purchaser thereof automatically agrees to be bound by the provisions of the Fund's General Regulations and of these Special Regulations and by any alterations which may be made thereto in accordance with the terms and conditions set forth therein.

Accordingly, all subscribers, purchasers or holders of Units are deemed to be fully aware of the Compartment's characteristics and, more specifically, the characteristics of the assets allocated to the Compartment and of the units issued representing those assets, the operating rules governing the Compartment and the various parties involved therein.

### **Article 3 – Term**

The Compartment was created on 28 November 2000 and will be liquidated on the date on which the last remaining Loan comprising the Compartment's assets is extinguished, written off or sold.

Save for early liquidation pursuant to the provisions of Article 26 hereof, the Management Company shall liquidate the Compartment no later than six months after the date on which the last remaining Loan comprising the Compartment's assets is extinguished, written off or sold.

## **PART II - PARTIES**

### **Article 4 – Management Company**

#### **4.1. Responsibilities and duties**

The Management Company is responsible for managing the Compartment in accordance with Article 4 of the General Regulations.

#### **4.2. Remuneration**

In consideration for its duties with respect to the Compartment, the Management Company shall receive commission equal to 0.04% (inclusive of tax) per annum of the Principal Amount Outstanding in respect of Live Loans.

### **Article 5 – Custodian and Settlement Bank**

#### **5.1. Custodian's responsibilities and duties**

The Custodian shall carry out its duties in accordance with Article 5 of the General Regulations.

#### **5.2. Custodian's remuneration**

In consideration for its duties with respect to the Compartment, the Custodian shall receive commission equal to 0.02% (inclusive of tax) per annum of the Principal Amount Outstanding in respect of Live Loans.

#### **5.3. Settlement Bank's responsibilities and duties**

By mutual agreement between the Management Company and the Custodian, and prior to the Compartment Inception Date, the Management Company has opened five deposit accounts in the Fund's name, under a reference containing the name of the Compartment, with the Settlement Bank. These accounts are the General Account, the Originator's Interest Account, the Investor's Interest Account, the Investor's Principal Account, the Reserve Account and any other account which the Management Company may open, and notably that designed to hold the cash collateral referred to in Article 25.2. An associated securities account shall also be opened for each of these four accounts opened on behalf of the Compartment.

If at any time during the life of the Compartment:

- the short-term credit rating of the Settlement Bank falls below P1 (Moody's) or F-1 (Fitch), or
- the Settlement Bank fails to comply with any of its legal or contractual undertakings with respect to the Compartment,

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the Management Company shall use its best endeavours to find another credit institution, with a short-term credit rating equal to or higher than those referred to above, which is prepared within thirty (30) days of the occurrence of such an event to open all the above-mentioned accounts.

These provisions shall also apply each time the current Settlement Bank's short-term credit rating falls below either of the minimum thresholds referred to above, so that the accounts are always held with a credit institution which meets those credit rating criteria.

### **Article 6 – Servicer**

The Originator shall continue to manage the Loans in accordance with the Loan Assignment and Management Agreement, in the capacity of Servicer.

The detailed terms and conditions relating to the management of the Loans and potential transfer of such management to another institution are more particularly described in Article 11 hereof.

### **Article 7 – Statutory Auditors**

The Statutory Auditors shall carry out their duties in accordance with Article 7 of the General Regulations.

## **PART III – THE COMPARTMENT'S ASSETS**

### **Article 8 – General description of the Compartment's assets**

#### **8.1. Composition of the Compartment's assets**

The Compartment's assets shall comprise:

- the Loans acquired from the Originator on each Assignment Date pursuant to the provisions of the Loan Assignment and Management Agreement, together with any incidentals;
- the cash flows arising from the Loans, including any death, disability or unemployment benefits payable to the Originator, and any penalties for late payment and recoveries of bad debts, but excluding Insurance Premiums;
- cash and all income generated thereon.



## 8.2. Loan acquisition frequency

It is intended that the Fund shall acquire and allocate Loans to the Compartment on its inception date and then on a monthly basis during the New Loans Acquisition Period, the Normal Redemption Period and the Amended Redemption Period. No Loans may be acquired by the Fund and allocated to the Compartment during the Compulsory Redemption Period.

## 8.3. Assignment of Loans in arrears or in default

Save for the circumstances referred to in Article 26 hereof, it is not intended that the Fund shall sell or assign any of the Loans comprising a part of the Compartment's assets, except in the case of:

- sales or assignments which might prove to be necessary or opportune in the opinion of the Servicers to allow better recovery of Loans in arrears or in default, notably to near relations or potential co-debtors of the Debtors concerned, but only on financial terms and conditions which properly reflect the situation of the Loan and the Debtor;
- Loans which have been declared as Write-Offs, which may be sold or reassigned to the Originator for the symbolic price of French franc.

## 8.4. Statutory restrictions

The Fund shall not be able to pledge the Loans allocated to the Compartment, nor shall it be able to sell or assign them, unless they are in arrears or in default, under the conditions defined in sub-article 8.3, or when the Compartment is liquidated, under the conditions defined in article 26.

## 8.5. Custody of documents

For as long as the Originator remains responsible for managing the Loans assigned by it to the Fund with a view to their allocation to the Compartment, the Originator shall in its capacity as Servicer keep all agreements, deeds and documents, whether physical or electronic, relating to the Loans at the Custodian's risk.

# **Article 9 – Nature and characteristics of the Loans**

## 9.1. Nature of the Loans

The origin of the Loans are revolving credit facilities called "*Libravou*" granted by the Originator to private individuals, usually for unidentified purposes and with no physical collateral. In general, although this has not been verified, the proceeds of such loans are used to finance personal projects such as the purchase of vehicles, furniture or other consumer goods, or to enable the Borrower to meet his cash needs.

The revolving credit facilities may be the subject of personal guarantees. The majority of them (approximately 71% as of the Compartment Inception Date) are fully insured against the Borrower's death, disability and loss of employment, at the Borrower's expense and with a reputable insurance company authorised to insure such risks, under a valid and binding insurance policy of which the Originator is the sole beneficiary.

Borrowers may make early repayments, in full or in part, on one or more occasions. Under the current regulations, such prepayments may be made without penalty to the Borrower for loans of an initial nominal amount equal to or less than FRF 140,000.

## 9.2. Eligible Loans

Loans intended to be acquired by the Fund and allocated to the Compartment shall be those arising from Credit Facilities meeting the criteria defined in sub-article 9.3.

On an Assignment Date:

- a Credit Facility is deemed to be the subject of a First Assignment when, prior to that assignment, the Originator is the owner of all outstandings and rights against the Borrower concerned under the said Credit Facility;
- a Credit Facility is deemed to be the subject of an Additional Assignment when, prior to that assignment and having regard to the assignments which have already taken place in favour of the Fund for allocation to the Compartment on previous Assignment Dates, the Compartment is already the owner of part of the outstandings and rights against the Borrower concerned under the said Credit Facility.

Each Loan corresponding to a Credit Facility which is the subject of a First Assignment in favour of the Fund for allocation to the Compartment shall consist of the entirety of the Outstandings for the Credit Facility concerned, determined on the Closing Date preceding the date of this First Assignment.

Each Loan corresponding to a Credit Facility which is the subject of an Additional Assignment in favour of the Fund for allocation to the Compartment shall consist of the entirety of the amount of the recorded Utilisations under the Credit Facility concerned in the course of the Reference Month preceding the date of this Additional Assignment.

Any assignment shall automatically involve the transfer to the Fund of accrued and future interest on the Loans concerned, and all the securities and other incidentals attached thereto.

## 9.2. Eligible Credit Facilities

### 9.3.1. *General criteria*

Loans acquired by the Fund and allocated to the Compartment shall, as at the date of their assignment to the Fund with a view to their allocation to the Compartment, be those arising from Credit Facilities:

- (i) granted by the Originator to private individuals of full age resident in France, excluding the Originator's employees, in the form of revolving credit facilities useable by way of drawings within the limits of the maximum unitary amount applicable to each Credit Facility;
- (ii) granted by the Originator in accordance with its usual lending procedures for this type of credit;
- (iii) managed by the Originator in accordance with its usual management procedures for this type of credit;
- (iv) denominated in FRF;
- (v) providing for the application of one or more nominal fixed interest rates reviewable on the initiative of the Originator or automatically, under the conditions defined in the contract governing each Credit Facility;
- (vi) in respect of which the payment of sums due from the Borrowers must be made in monthly instalments, the Minimum Repayment Rate of which is equal to or more than 3% of the authorised amount of the Credit Facility, and in respect of which there is no repayment ceiling, each Borrower being authorised to make early repayment at any time of all or part of the sums remaining due under his Credit Facility, these methods of payment being agreed in advance and in writing in the contract governing each Credit Facility;
- (vii) terminable at any time on the initiative of the Borrowers under the conditions defined in the contract governing each Credit Facility.

#### 9.3.2. *Special criteria applicable to the First Assignments*

In addition to the criteria defined in sub-article 9.3.1., each Credit Facility which is the subject of a First Assignment must, as at the date of the First Assignment:

- (i) have been signed at least seven calendar months previously;
- (ii) neither be capitalised, nor doubtful nor disputed, nor in arrears nor in default;
- (iii) not have been the subject of any termination before the date of this First Assignment;
- (iv) not, so far as the Originator is aware, be the subject of a referral by the Borrower concerned to the commission for the examination of household debts nor to any court in the context of the provisions of Part III, Book III of the French Consumer Credit Act (*Code de la Consommation*) or article 1244-1 of the Civil Code.

#### 9.4 Originators' representations and warranties

The Originator hereby represents and warrants that each of the Loans it shall assign to the Fund with a view to its allocation to the Compartment will meet the following criteria on the date of its assignment:

- the Loan exists and belongs to the Originator as to the whole of its amount and its incidentals (excluding any possible Insurance Premiums);
- the Loan and the Credit Facility from which it arises are in accordance with the criteria concerning them defined in articles 9.1., 9.2. and 9.3 above;
- the Loan has not been assigned, transferred, subrogated, nor subject to seizure or attachment, nor pledged, charged or subject to any other encumbrance of any kind, either in whole or in part, which might in any way prevent its full and complete assignment to the Fund with a view to its allocation to the Compartment;
- the Borrower is not entitled to assert any defence as against the Originator in respect of any amount due or which will become due under the Loan;
- all provisions contained in the Loan agreements and the Credit Facility from which it arises and in the deeds and any related security interests constitute valid contractual obligations and are enforceable against third parties;
- there has been no breach of any of the statutory provisions governing the Loan and the Credit Facility from which it arises and any related security interests, nor of any of the provisions contained in the Loan, Credit Facility and security agreements and deeds;
- the Loan and the Credit Facility from which it arises are not vitiated by any legal flaw which would render them null and void, rescindable or avoidable, nor are they likely to be statute-barred under a statute of limitations period which has already begun;
- the Originator's procedures with respect to granting, managing and collecting sums due under the Loan are legal, appropriate and prudent.

If, at any time, it appears from an enforceable court decision or by mutual agreement between the Originator and the Management Company that a Loan and/or the Credit Facility from which it arises were not in accordance with any of the criteria applicable to the Loan as at the Assignment Date of the Loan as defined in sub-article 9.1., 9.2., and 9.3. above, the Management Company shall have the option of choosing between the following two solutions:

- either all assignments previously occurring and concerning the Credit Facility from which the Loan arises shall be immediately and automatically terminated, in which case the Originator must reimburse to the Compartment, at the latest on the Remittance Date following the Closing Date on which the non-conformity was established, the Outstandings under the Credit Facility concerned, established on the relevant Closing Date;
- or, if such a solution is possible, the Originator shall compensate the Compartment, at the latest on the Remittance Date following the Closing Date on which the non-conformity was established, for the loss which it has suffered by reason of the non-compliance.

However, the Assignor gives no warranty as to the solvency of the Borrowers under the Loans, nor as to the effectiveness and economic value of any securities attached thereto. In addition, the warranties given by the Originator do not give the holders of Units any rights of whatever nature which may be asserted directly against the Originator, the Management Company alone being authorised by article 40 I of the Law to represent the Fund in general and the Compartment in particular as regards third parties and in any legal action.

#### 9.5 Selection of Credit Facilities the subject of a First Assignment

On each Assignment Date, the Credit Facilities the subject of a First Assignment shall be selected from a portfolio comprising all the Credit Facilities held by the Originator and meeting the criteria set out in sub-articles 9.1. to 9.4 above.

However, the Originator shall exclude from this portfolio:

- all loans arising from Credit Facilities opened in partnership with one or more other entities with which it has associated or has intended to associate in a company, in law or in fact, and to which company it has contributed such loans or entered into discussions for the purpose of so doing;
- all loans arising from Credit Facilities in respect of which promotional transactions or substantial changes in the rules of operation of the Credit Facility have been granted to the Borrowers concerned in the context of commercial innovations introduced on the initiative of the Originator.

The selection of Credit Facilities shall be made by the Originator from a portfolio defined in accordance with the criteria set out in the preceding sub-articles and paragraphs, so that the characteristics of the Credit Facilities selected shall be globally as close as possible to those of all the Credit Facilities contained in the portfolio.

For this purpose, the selection shall be made at random from the entire contents of the portfolio.

### **Article 10 – Acquisition of the Loans on the Compartment Inception Date**

#### 10.1. Selection of Credit Facilities

The selection of Credit Facilities the subject of a First Assignment on the Compartment Inception Date shall be made at random from the portfolio of eligible Credit Facilities forming part of the assets of the Originator, under the conditions defined in sub-article 9.5.

#### 10.2. Effective date of assignment

The assignment of Loans on the Compartment Inception Date shall become effective on 24 November 2000. Accordingly, all sums received by the Originator corresponding to sums maturing between 24 November 2000 inclusive and the Compartment Inception Date in respect of the Credit Facilities from which the Loans have arisen shall be the property of the Fund and allocated to the Compartment. These

sums shall be paid over to the Compartment by the Originator/Servicer on the first Remittance Date after the Compartment becomes effective.

### 10.3. Principal Amount Outstanding and assignment price

The Principal Amount Outstanding, when the Originator's financial statements are drawn up on 24 November 2000, in respect of the Loans acquired by the Fund and allocated to the Compartment on the date of its creation shall be more than or equal to FRF 1,202,283,907 and as close as possible to this amount.

## **Article 11 – Loan Management**

### 11.1. Principles governing management and collection

The principles set forth in this article arise from the Loan Assignment and Management Agreement.

The Originator shall in its capacity as Servicer continue to manage and collect sums due under the Loans it has assigned to the Fund and which have been allocated to the Compartment, together with the Credit Facilities from which they arise.

On each Monthly Instalment Date, the Servicer shall give instructions to credit the General Account with a sum equal to the Amounts Called.

The Servicer has undertaken to take or cause to be taken on behalf of the Compartment all measures required to preserve the Loans managed by it together with the Credit Facilities from which they arise and any security interests relating thereto, using the same care which they would exercise over loans in their own portfolio.

The Servicer has further undertaken to manage and where applicable collect sums due under the Loans and the Credit Facilities from which they arise with the care which would be exercised by a prudent and informed manager and with at least the same due diligence as they would exercise in respect of loans in their own portfolio. The Servicer has warranted that the management and collection procedures it applies in respect of the Loans are and shall remain in compliance with all laws and regulations currently in force.

The Management Company has empowered each Servicer to take all steps necessary, on behalf of the Compartment, to expedite collection of the Loans through legal enforcement or negotiated settlement, including all acts and procedures required to renegotiate the contractual terms and conditions of the Loans, in the event that a Loan is subject to one or more unremedied payment incidents, or where the matter of a Borrower has been referred to the commission for household debt.

If, in the opinion of the Servicer, a special power is necessary to take any recovery action in respect of one or more Loans, the Management Company shall issue such a power at the request of the Servicer.

Finally, since the rates of interest applicable to revolving credit facilities granted by the Originator are by their nature reviewable by the Originator, it is specified insofar as necessary that interest rate reviews

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decided on by the Originator shall automatically apply to the Loans forming part of the assets of the Compartment on the same date as to the loans retained by the Originator.

Should the Management Company observe at any time during the life of the Compartment that the Servicer has failed to comply with any of the conditions or restrictions referred to above, the Management Company shall have the option of choosing between the following two solutions:

- either all assignments previously occurring and concerning the Credit Facility from which the Loan arises shall be immediately and automatically terminated, in which case the Originator must reimburse to the Compartment, at the latest on the Remittance Date following the Closing Date on which the non-conformity was established, the Outstandings under the Credit Facility concerned, established on the relevant Closing Date;
- or, if such a solution is possible, the Originator shall compensate the Compartment, at the latest on the Remittance Date following the Closing Date on which the non-conformity was established, for the loss which it has suffered by reason of the non-compliance.

#### 11.2. Replacement of the Servicer

The Management Company, in order to ensure the management of the Loans, shall use its best endeavours to appoint another credit institution or the Caisse des Dépôts and Consignations in the place of the Servicer:

- in the event that the Servicer fails to comply with its statutory or contractual obligations in respect of the management or collection of the Loans; or
- if the retention of the Servicer in such capacity would be likely to cause the downgrading or withdrawal of one or more of the Credit Ratings currently in force.

Notwithstanding the foregoing, the Servicer may only be replaced subject to the following conditions:

- that the Management Company notifies the Rating Agencies and the *Commission des Opérations de Bourse* in advance thereof;
- that the choice of a new institution responsible for recovery does not lead to a downgrading or withdrawal of one or more of the Credit Ratings currently in force, or allows such downgrading or withdrawal to be limited or avoided respectively;
- that the principle and means of implementing the change comply with the legislation currently in force.

In anticipation of the application of the provisions of this Article, the Management Company shall use its best endeavours to designate a replacement servicer within six months of the Compartment Inception Date in co-ordination with the Rating Agencies.

## **PART IV – THE UNITS**

### **Article 12 –Units issued on the Compartment Inception Date**

#### **12.1. General description**

The Fund will issue four distinct Classes of Unit on the Compartment Inception Date representing the assets allocated to the Compartment:

- A Units, which are preferred Units, to be issued on one occasion on the Compartment Inception Date;
- B Units, which are Units subordinate to the A Units within the meaning of article 9 of the Decree, to be issued on one occasion on the Compartment Inception Date;
- C Units, which are ordinary Units, ranking *pari passu* with the A and B Units on the terms defined in these Special Regulations and in particular article 21; the C Units shall be issued on the Compartment Inception Date and then, if necessary, on each Remittance Date following that date under the conditions defined in Article 19;
- R Units, which are Units subordinate to the A and B Units within the meaning of article 9 of the Decree, to be issued on one occasion on the Compartment Inception Date.

The rights conferred by each Class of Unit are set out below.

#### **12.2. A Units**

The A Units shall be sold by way of a private placement and are intended essentially for institutional investors and UCITS, although private individuals and other investors may also subscribe for them provided they do not breach the provisions of any legislation applicable to them in their country of residence.

The A Units shall be redeemed on a quarterly basis with effect from 30 January 2006, in accordance with the Redemption Schedule shown in Appendix 2. However, this Redemption Schedule is not guaranteed. Furthermore, the redemption profile of the A Units shall necessarily be amended: in the event of Amended Redemption, in accordance with the conditions defined in sub-articles 17.2 and 21.4; of Compulsory Redemption, in accordance with the conditions defined in sub-articles 17.3 and 21.5; or of Full Early Redemption, in accordance with the conditions defined in sub-articles 17.4 and 21.6.

The A Units carry a right to the distribution of quarterly interest.

#### **12.3. B Units**

The B Units shall be sold by way of a private placement and may only be subscribed or held by qualified investors or by persons who are not resident in France.

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The B Units shall be redeemed on a quarterly basis with effect from 29 October 2007, in accordance with the Redemption Schedule shown in Appendix 3. However, this Redemption Schedule is not guaranteed. Furthermore, the redemption profile of the B Units shall necessarily be amended: in the event of Amended Redemption, in accordance with the conditions defined in sub-articles 17.2 and 21.4; of Compulsory Redemption, in accordance with the conditions defined in sub-articles 17.3 and 21.5; or of Full Early Redemption, in accordance with the conditions defined in sub-articles 17.4 and 21.6. In any event, redemption of the B Units shall not commence until after the complete redemption of the A Units.

The B Units carry a right to the distribution of quarterly interest.

#### 12.4. C Units

The C Units shall be sold by way of a private placement subscribed by the Originator.

On each Remittance Date, new C Units may be issued or certain C Units may be redeemed, so that the nominal amount of the C Units forming part of the liabilities of the Compartment at the close of a Payment Date is equal to the positive difference between:

- (i) the sum (a) of the Principal Amount Outstanding, determined at the last Monthly Instalment Date, in respect of the Live Loans forming part of the assets of the Compartment at the close of the relevant Remittance Date, taking account of the New Loans Acquisition to take place on that date, and (b) the potential credit balance on the Investor's Principal Account on the relevant Remittance Date, taking account of the transfers made or to be made, as the case may be, to the credit and/or debit of that account on that date in accordance with article 21, and
- (ii) the nominal amount remaining due in respect of the A, B and R Units on the said Remittance Date taking account of the potential redemption to take place, if applicable, in respect of those Units on the Payment Date immediately following that Remittance Date, if the latter is a Quarterly Remittance Date in the Normal Redemption Period or Amended Redemption Period,

the difference referred to above being rounded up to allow the issue or redemption, as the case may be, of a whole number of C Units.

The C Units carry a right to the distribution of monthly interest.

#### 12.5 R Units

The R Units shall be sold by way of a private placement subscribed by the Originator.

The R Units shall be redeemed on one occasion after the complete redemption of the A and B Units.

The R Units shall, if applicable, carry a right to the distribution of quarterly interest.

### **Article 13 – Summary of the characteristics of the Units**

The table below shows the number of units issued on the Compartment Inception Date and the key characteristics of each Class of Unit.

	<b>A Units</b>	<b>B Units</b>	<b>C Units</b>	<b>R Units</b>
Number of Units	150,000	20,446	12,831 (*)	10
Unit nominal amount	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Total nominal amount	EUR 150,000,000	EUR 20,446,000	EUR 12,831,000	EUR 10,000
Issue	On one occasion, on 28 November 2000	On one occasion, on 28 November 2000	On several occasions, on 28 November 2000, then, if applicable, on each Remittance Date	On one occasion, on 28 November 2000
Subscription date	28 November 2000	28 November 2000	28 November 2000, for the C Units issued on the Compartment Inception Date. The Remittance Date on which they are issued, for the other C Units.	28 November 2000
Acquisition and settlement date for subscribers	28 November 2000	28 November 2000	28 November 2000 then on each Remittance Date corresponding to the issue of the C Units	28 November 2000
Issue price	At par	At par	At par	At par
Nominal interest rate	Euribor 3 month rate + 0.30% p.a.	Euribor 3 month rate + 1.2% p.a.	Not fixed	Not fixed
Interest payment frequency	Quarterly	Quarterly	Monthly	Quarterly (if applicable)
Interest payment dates	28 January, 28 April, 28 July and 28 October	28 January, 28 April, 28 July and 28 October	On each Remittance Date	28 January, 28 April, 28 July and 28 October
Initial interest payment date	30 April 2001	30 April 2001		30 April 2001

Redemption frequency	Quarterly with effect from 30 January 2006 (**)	Quarterly with effect from 29 October 2007 (**) and after complete redemption of the A Units	<i>In fine</i> , In order of issue number	<i>In fine</i>
Redemption dates	28 January, 28 April, 28 July and 28 October	28 January, 28 April, 28 July and 28 October	Remittance Dates	After complete redemption of the A and B Units
Redemption price	At par	At par	At par	At par
Unit type	Bearer	Bearer	Strictly registered	Strictly registered
Placement method	Private	Private	Private (subscribed and retained by the Originator)	(Subscribed and retained by the Originator)
Initial investors	Qualified investors or non-residents	Qualified investors or non-residents	Originator	Originator
Authorised holders	All	Qualified investors or non-residents	Originator	Originator
Moody's rating	Aaa	A3	Not rated	Not rated
Fitch rating	AAA	A-	Not rated	Not rated
Clearing	Sicovam, Clearstream and Euroclear	Sicovam, Clearstream and Euroclear	Not admitted	Not admitted
Listings envisaged (following initial placement of the Units) <sup>(*)</sup>	Paris	Paris (special section: units restricted to qualified investors and non-residents) and Luxembourg	Not quoted	Not quoted

(\*) Number of C Units issued on the Compartment Inception Date. This number may vary on each Remittance Date under the terms and conditions set forth in Article 19.

(\*\*) During the New Loans Acquisition Period, Amended Redemption Period and Compulsory Redemption Period. This margin shall be doubled during the Normal Redemption Period.

(\*\*\*) Assuming the Redemption Schedules in Appendices 2 and 3 are respected, which is not guaranteed.

(\*) Number of C Units issued on the Compartment Inception Date. This number is likely to vary at each Remittance Date under the conditions set out in article 19.

(\*\*) If the repayment schedules appearing in appendices 2 and 3 are complied with, which is not guaranteed.

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#### **Article 14 – Restrictions on ownership of the Units**

On the Compartment Inception Date, there are no restrictions on ownership of the A and B Units other than those referred to in Article 14 of the General Regulations.

Under the terms of the said article:

- the A Units are ordinary Units, non-specific within the meaning of the regulations in force on the date of signature of the General Regulations;
- the B Units are specific Units within the meaning of the said regulation.

In accordance with the Loan Assignment and Management Agreement, the Originator has undertaken to subscribe for the C Units and the R Units and to retain them until their expiry. No other person or entity shall be permitted to subscribe for, acquire or hold the C Units or the R Units, save as a result of a universal asset transfer on the part of the Originator.

#### **Article 15 – Rights and obligations of Unit holders**

The rights and obligations of the Unit holders shall be provided by law, in the General Regulations, particularly Article 15 thereof, and in these Special Regulations.

#### **Article 16 – Issuance and placement of Units**

The A and B Units will be sold by way of private placement.

However, applications will be made for the admission of the A and B Units to the Paris Stock Exchange. Consequently, in accordance with the French legislation applicable to the Compartment Inception Date, the *Commission des Opérations de Bourse* will be asked to approve the Offering Circular, which in respect of the Compartment, shall comprise the following documents:

- the General Prospectus, including the Fund's General Regulations, which shall be registered with the *Commission des Opérations de Bourse* prior to the date of admission of the A and B Units to the Paris Stock Exchange;
- an Issue Circular, including these Special Regulations applicable to the Compartment, which shall comprise the Special Prospectus relating to the Compartment duly registered with the *Commission des Opérations de Bourse* prior to the date of admission of the Units to the Paris Stock Exchange, and the Transaction Circular relating to the admission of the A and B Units to the Paris Stock Exchange, following their issue in one single transaction.

The C Units and the R Units will be subscribed and retained by the Originator.

The Unit subscription price shall be fully paid up in cash on the acquisition and settlement date referred to in Article 13 hereof.

## **Article 17 – Redemption of the Units and Interest Payments**

### **17.1. Normal Redemption**

The Units shall be redeemed as follows:

- in the case of the A units, in accordance with the Redemption Schedule shown at Appendix 2;
- in the case of the B Units, in accordance with the Redemption Schedule shown at Appendix 3;
- in the case of the R Units, after the complete redemption of the A and B Units;
- in the case of the C Units, on a Remittance Date; the amount earmarked, if applicable, for the redemption of the C Units on a Payment Date shall be earmarked for the complete redemption of the C Units having the lowest issue number, then for the following C Units in order of their issue number, and so on until the whole of the amount earmarked for the redemption of a whole number of C Units has been exhausted, the remainder of the Units not being redeemed.

Interest due on the C Units shall be paid *pari passu* with the interest due on all the A, B and R Units together. Among those Units, interest due on the A Units shall be paid in priority to interest due on the B Units, and interest due on the B Units shall be paid in priority to interest potentially due on the R Units.

In the same way, the principal due on the C Units shall be paid *pari passu* with the principal due on all the A, B and R Units together. Among those Units, the principal due on the A Units shall be paid before the principal due on the B Units, and the principal due on the B Units shall be paid before the principal due on the R Units (sequential redemption).

The proportions of the principal sums allocated to the redemption of the C Units, on the one hand, and the A, B and R Units on the other, in a Normal Redemption Period shall be calculated by the application of ratios determined on a once for all basis by the Management Company at the commencement of the Normal Redemption Period (the Investor's Principal Ratio and Originator's Principal Ratio).

These payment rules are set out in article 21.

However, the redemption schedule and frequency for the A and B Units may be amended in the circumstances set out in sub-articles 17.2., 17.3 and 17.4 below.

In the event of Amended Redemption, the C Units shall remain *pari passu* with all the A, B and R Units together.

In the event of Compulsory Redemption, the C Units shall be subordinate to the A, B and R Units and shall not be redeemed until after the complete redemption of the A and B Units.

In the event of Full Early Redemption, the A, B and R Units shall be redeemed in full, on one occasion, on the Payment Date in 28 October 2005. In such event, the Originator shall be the sole owner of Units at the

close of the date referred to above, and the Management Company shall liquidate the Compartment under the conditions defined in article 26.

The cash flow allocation rules within the Compartment in respect of the redemption of Units and the payment of the interest relating thereto are set out in article 21 hereof.

#### 17.2. Amended Redemption

By way of exception to the provisions of Article 17.1. hereof, Amended Redemption of the Units shall take place if at any time during the life of the Compartment, the Management Company observe that any of the following conditions has been met:

- (i) the Net Margin calculated on a given Remittance Date based on information for the Reference Month relating to that Remittance Date and the two preceding Reference Months falls below the following rates exactly:
  - 0.5%, if that Remittance Date falls within the first year of the life of the Compartment;
  - 1% thereafter.
- (ii) the Weighted Average Interest Rate for the Live Loans forming part of the assets of the Compartment, recorded on a Closing Date, is lower than the Fixed Swap Rate plus:
  - 7.84%, if that Closing Date falls within the first year of the life of the Compartment;
  - 7.34%, if that Closing Date falls within the second year of the life of the Compartment;
  - 6.84% thereafter.
- (iii) the Originator or the Servicer have been in breach of any of their contractual obligations as regards the Fund in general or the Compartment in particular (excluding those breaches sanctioned by way of Compulsory Redemption);
- (iv) at the close of a three consecutive Remittance Dates, the Principal Amount Outstanding in respect of the Loans forming part of the assets of the Compartment is lower than the Minimum Principal Amount Outstanding in respect of the Loans as at that date.

If, at any time during the life of the Compartment, the Management Company observes that any of the above-mentioned conditions has been met (and without prejudice to the potential possibility of early liquidation of the Compartment in accordance with article 26), it shall proceed with the Amended Redemption of the Units on a quarterly basis, with effect from the first following Quarterly Remittance Date, inclusive, under the conditions defined in sub-article 21.4, on the understanding that:

- the redemption of the A and then the B Units shall continue to be effected on a quarterly basis;
- no further First Assignments in excess of the Minimum Principal Amount Outstanding in respect of the Live Loans may be carried out;
- no further R Coupon shall be paid to the Originator until the A, B and C Units have been entirely redeemed;

- the Amended Redemption procedure is irrevocable once triggered.

The proportions of the principal sums allocated to the redemption of the C Units, on the one hand, and the A, B and R Units on the other, in an Amended Redemption Period shall be calculated by the application of ratios determined on a once for all basis by the Management Company at the commencement of the Amended Redemption Period (the Investor's Principal Ratio and Originator's Principal Ratio).

These payment rules are set out in article 21.

The redemption schedule and frequency for the A and B Units shall be amended in the event of Amended Redemption.

### 17.3. Compulsory Redemption

By way of exception to the provisions of Article 17.1. hereof, Compulsory Redemption of the Units shall take place if at any time during the life of the Compartment, the Management Company observe that any of the following conditions has been met:

- (i) the Originator refuses or is unable to comply with its obligations to assign, by way of Additional Assignment, all the Loans corresponding to Credit Facilities of which a part of the Outstandings already forms part of the assets of the Compartment;
- (ii) the Originator refuses or is unable to comply with its obligations to subscribe for the C Units issued in the circumstances defined in the Special Regulations;
- (iii) the Originator refuses or is unable to comply with its obligations to retain all of the C Units and the R Units subscribed by it in the circumstances defined in the Special Regulations.

If, at any time during the life of the Compartment, the Management Company observes that any of the above-mentioned conditions has been met (and without prejudice to the potential possibility of early liquidation of the Compartment in accordance with article 26):

- it shall definitively suspend the First Assignments and Additional Assignments provided for in article 18;
- it shall proceed with Compulsory Redemption of the Units, on a quarterly basis, with effect from the first following Quarterly Remittance Date, inclusive.

The rules governing redemption of the Units and the allocation of cash flows in the event of Compulsory Redemption are defined in sub-article 21.5., on the understanding that:

- the redemption of the A and then the B Units shall continue to be effected on a quarterly basis;
- no further First Assignments in excess of the Minimum Principal Amount Outstanding in respect of the Live Loans may be carried out;

- no further R Coupon shall be paid to the Originator until the A, B and C Units have been entirely redeemed;
- the Compulsory Redemption procedure is irrevocable once triggered.

In the event that at any given time and for any reason whatever, the Originator is still the owner of part of the Outstandings under a Credit Facility, particularly by reason of a utilisation by the Borrower concerned not assigned to the Fund under the conditions defined in the Special Regulations, the Originator and the Management Company hereby irrevocably appoint Crédit Lyonnais to proceed with the recovery of their respective receivables through the agent of its choice, and to exercise on behalf of the Originator and the Compartment all the rights, actions, liens or mortgages arising from the ownership of the items and documents, whether physical or electronic, which contain the relevant Credit Facilities and receivables.

Solely in this event, the rights of the Originator over the principal amounts recovered from each Borrower shall be subordinate to the rights of the Compartment to the same amounts, and Crédit Lyonnais shall be authorised to allocate all the principal amounts in priority to the Compartment until the complete redemption of the receivable owned by it in relation to the Borrower concerned.

The above-mentioned appointment shall be made on an irrevocable basis and in the common interest of the parties.

#### 17.4. Full Early Redemption

By way of exception to the provisions of sub-article 17.1., Full Early Redemption of the A and B Units shall take place on the Payment Date falling in October 2005 under the conditions defined in sub-article 19.3.

#### 17.5. Interest on the Units

Interest payments due to Unit holders shall be calculated by the Management Company in accordance with the following rules.

Interest due on each A Unit on a Payment Date shall be equal to:

- the nominal amount due in respect of the Unit at the beginning of the Interest Period relating to the Payment Date concerned;
- multiplied by the applicable A Coupon Rate;
- multiplied by the exact number of days in the Interest Period concerned;
- divided by 360;
- rounded down to the nearest centime.

Interest due on each B Unit on a Payment Date shall be equal to:

- the nominal amount due in respect of the Unit at the beginning of the Interest Period relating to the Payment Date concerned;
- multiplied by the applicable B Coupon Rate;
- multiplied by the exact number of days in the Interest Period concerned;
- divided by 360;



- rounded down to the nearest centime.

The interest due on each C Unit on a Payment Date shall be calculated by the Management Company prior to the Payment Date under the conditions defined in article 21.

The rules for the allocation of cash flows within the Compartment in respect of interest payments due in respect of Units are set out in article 21 hereof.

## **PART V – OPERATION OF THE COMPARTMENT**

### **Article 18 – Acquisition of New Loans after the Compartment Inception Date**

#### **18.1. General principles**

It is intended that the Fund shall acquire new Loans from the Originators after the Compartment Inception Date, with a view to their allocation to the Compartment, under the circumstances and conditions set forth below.

Revolving credit facilities to form the object, if applicable, of a First Assignment on an Assignment Date shall be selected at random from among the portfolio of eligible Credit Facilities forming part of the assets of the Originator, under the conditions defined in sub-article 9.5.

Any assignment of Loans made on an Assignment Date shall take effect on the Closing Date immediately preceding the said Assignment Date. Consequently, any sums collected by the Originator between the Closing Date immediately preceding the said Assignment Date, inclusive, and the said Assignment Date, in respect of Credit Facilities corresponding to the Loans, shall be the property of the Fund and allocated to the Compartment. These sums shall be paid over by the Originator/Servicer to the Compartment on the first following Remittance Date.

The assignment price of the Loans acquired on each Assignment Date shall be payable in full on the Assignment Date in question.

#### **18.2. New Loans Acquisition Period and Normal Redemption Period**

Following the Compartment Inception Date, the Originator has agreed to make other assignments of Loans to the Fund with a view to their allocation to the Compartment, under the conditions described below.

The Loans to which the undertaking of the Originator applies are, at each Assignment Date:

- (i) by way of Additional Assignments, the Loans corresponding to Utilisations, of whatever amount, recorded in the course of the Reference Month of the Assignment Date in question under Credit Facilities already forming the object of assignments to the Fund in the context hereof;

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- (ii) if applicable, by way of First Assignments, the Loans arising from other Credit Facilities, up to the amount of the Additional Necessary New Loans Acquisition determined by the Management Company on the Closing Date preceding the Remittance Date in question.

Should, on a given Assignment Date situated in the New Loans Acquisition Period or Normal Redemption Period, the Fund not have sufficient resources available to effect the Additional Necessary New Loans Acquisition, the Management Company may call upon, up to the amount required and to the extent that it does not affect payment of the A et B Coupons:

- the Originator's Cash Advances within the limits of the Originator's Liquidity Ceiling, and for an amount lower than the product of (i) the Originator's Income Ratio applicable to the Reference Month concerned and (ii) the Additional Necessary Principal in respect of that same month;
- the Investor's Cash Advances within the limits of the Investor's Liquidity Ceiling and for an amount lower than the product of (i) the Investor's Income Ratio applicable to the Reference Month concerned and (ii) the Additional Necessary Principal in respect of that same month.

It is specified insofar as necessary that such calls shall be made within the limits of the Liquidity Ceiling.

Furthermore, by mutual agreement between the Originator and the Management Company, the Originator may, on an Assignment Date, make First Assignments to the Fund for allocation to the Compartment in an amount greater than the Additional Necessary New Loans Acquisition, on condition that:

- the Compartment has the sums necessary to finance the excess of the acquisition by reference to the Additional Necessary New Loans Acquisition, by means of the issue of C Units;
- that the outstandings in respect of the Live Loans forming part of the assets of the Compartment taking account of these additional First Assignments remains lower than the Maximum Principal Amount Outstanding in respect of Live Loans.

In any event:

- these First Assignments are subject to all the provisions of these Special Regulations;
- if, on a Remittance Date, the cumulative Principal Amount Outstanding in respect of the First Assignments made in the course of the twelve last months of the life of the Compartment (or, failing that, since the Compartment Inception Date) represents more than 15% of the Principal Amount Outstanding in respect of Loans forming part of the assets of the Compartment twelve months before the said Remittance Date (or, failing that, on the Compartment Inception Date), no First Assignment(s) may take place on the Remittance Date in question unless the Management Company has obtained confirmation of the Credit Ratings in force, from the Rating Agencies which may ask for such confirmation in such a situation.

Without prejudice to the provisions of sub-article 17.3 and article 26, in the event that, on a Remittance Date, for whatever reason and particularly for technical reasons or by reason of the insufficiency of the

Loan Pool, the Originator should not be in a position to assign the Loans necessary for the New Loans Acquisition under the conditions referred to above, the New Loans Acquisitions shall take place, under the same conditions, on the first Remittance Date following the on which it is possible to make such a New Loans Acquisition.

The Loans thus acquired by the Fund and allocated to the Compartment in the course of the New Loans Acquisition Period must, on the Assignment Date in question, comply with the criteria defined in article 9. However, in place of the criterion referred to in paragraph 9.3.2.(i), each Credit Facility which is the object of a First Assignment in the context of this article 18 must, as at the date of said First Assignment, have been granted prior to the Compartment Inception Date or, failing that, at least seven calendar months previously.

### 18.3. Amended Redemption Period

In the event of Amended Redemption, the Originator has agreed to make other assignments of Loans to the Fund with a view to their allocation to the Compartment, under the conditions described in sub-article 18.2.

However, no First Assignments may be made to the Fund for allocation to the Compartment in an amount greater than the Additional Necessary New Loans Acquisition.

### 18.4. Compulsory Redemption Period

In the event of Compulsory Redemption, no acquisition of Loans may be made by the Fund from the Originator.

## **Article 19 – Issuance of New Units after the Compartment’s Inception**

### 19.1. General principle

With the exception of the C Units which shall be issued under the conditions defined below, no other Unit may be issued representing the assets allocated to the Compartment, after the Compartment Inception Date.

The rules for the redemption of the C Units referred to below are defined in article 21.

### 19.2. Issuance of the C Units outside the Full Early Redemption

On each Remittance Date in the life of the Compartment, the Fund shall, if applicable, issue new C Units representing the assets allocated to the Compartment, so that the nominal amount remaining due in respect of the whole of the C Units after such issue is equal to the positive difference between:

- (i) the sum (a) of the Principal Amount Outstanding, determined at the close of the last Closing Date, in respect of the Live Loans forming part of the assets of the Compartment at the close of the Remittance Date in question, taking account of the New Loans Acquisition to be made on that date, and (b) of the potential credit balance of the Investor’s Principal Account on the Remittance Date in

question, taking account of the payments made or to be made, as the case may be, to the credit and/or debit of that account on that date in accordance with article 21, and

- (ii) the nominal amount remaining due under the A, B and R Units on the said Remittance Date taking account of the potential redemption to take place, if applicable, in respect of those Units on the Payment Date following that Remittance Date, if it is a Quarterly Remittance Date of the Normal Redemption Period or of the Amended Redemption Period,

the difference referred to above being rounded up to allow the issuance or the redemption, as the case may be, of a whole number of C Units.

The C Units thus issued by the Fund shall be subscribed in full by the Originator, who has undertaken to retain them until their expiry.

### 19.3. Issuance of C Units in the event of Full Early Redemption

In the context of the Loans Assignment and Management Agreement, the Originator was granted the right to require the issue by the Fund of new C Units, representing the assets allocated to the Compartment.

The right thus granted to the Originator can only be exercised on the Payment Date situated in October 2005 and on condition that, on the basis of the information determined as at the Closing Date preceding this Payment Date, the Compartment is not in the process of Amended Redemption or Compulsory Redemption nor is it commencing an Amended Redemption Period or Compulsory Redemption Period.

If, at the close of the Closing Date preceding the Payment Date situated in October 2005, the Originator and the Management Company determine that the conditions referred to above are met, the Originator may notify the Management Company, one Business Day after that Closing Date, of its intention to exercise its option to have C Units issued by the Fund, representing the assets allocated to the Compartment, on the following Quarterly Remittance Date, with a view to a Full Early Redemption taking place.

The nominal amount of the C Units issued by the Fund on the Quarterly Remittance Date in question shall be equal to the sum of:

- the nominal amount of the C Units required, if applicable, pursuant to sub-article 19.2. above; and
- the nominal amount remaining due for the A, B and R Units at the close of the preceding Payment Date.

The C Units thus issued by the Fund shall be subscribed in full by the Originator, which has undertaken to retain them until they expire.

If the Originator has exercised its option under the conditions referred to above, and on condition that the Compartment has received from the Originator the sums corresponding to the issuance of the C Units on the Quarterly Remittance Date in question, the Management Company shall proceed with the Full Early Redemption of the A and B Units on the Payment Date immediately following the Quarterly Remittance Date in question.

If the Originator has not been able or has not wished to exercise its option under the conditions set out above, or if the Compartment has not received from the Originator the sums corresponding to the issuance of the C Units on the Quarterly Remittance Date envisaged, the Management Company shall proceed with the redemption of the A and B Units, with effect from the Payment Date immediately following the Remittance Date in question, under the conditions provided for in articles 17 and 21.

## **Article 20 – Borrowings**

Without prejudice to the Cash Advances capable of being used under the conditions defined in article 21 and sub-article 25.2, the Compartment shall not have recourse to any borrowing.

## **Article 21 – Calculation and allocation of cash flows**

### **21.1. General principles**

On each Monthly Instalment Date, the Servicer shall give instructions to credit the General Account with a sum equal to the Amount Called.

On each Remittance Date, Quarterly Remittance Date or Transfer Date, as the case may be, and according to whether the Compartment is in a New Loans Acquisition Period, a Normal Redemption Period, an Amended Redemption Period, a Compulsory Redemption Period, in the process of Full Early Redemption or at the end of liquidation, the Management Company shall effect or supervise, the calculations, Fund movements and cash allocations set out below, in the order in which they are mentioned.

Each time it is intended to debit any of the accounts of the Fund opened on behalf of the Compartment, this debit shall be made within the limits of its credit balance, taking account of the transactions mentioned above, so that none of these accounts ever shows a debit balance at any time.

### **21.2. New Loans Acquisition Period**

#### **21.2.1. Monthly transactions**

In good time before each Remittance Date, the Management Company shall carry out the following transactions first as regards the preliminary calculations referred to in 1. below, then on each Remittance Date, as regards the transactions referred to in 2. and following below.

##### **21.2.1.1. Preliminary calculations**

The Management Company shall carry out the following calculations:

- the Originator's Income Ratio for the Reference Month of this Remittance Date;
- the Investor's Income Ratio for the Reference Month of this Remittance Date;
- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;

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- the amount of the Commissions due on the relevant Remittance Date;
  - the Monthly Net Margin for the Reference Month of this Remittance Date;
  - the Net Margin for the three Reference Months preceding this Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

#### 21.2.1.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

#### 21.2.1.3. *Payment of Commissions*

The Management Company shall give the necessary instructions for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit of the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

#### 21.2.1.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

#### 21.2.1.5. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the amount of corresponding assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

#### 21.2.1.6. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

#### 21.2.1.6-b). *Reimbursement of Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, first by debit of the Investor's Interest Account and if the credit balance on that account is insufficient, then by debit of the Reserve Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer by debit of the Originator's Interest Account.

#### 21.2.1.7. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

#### 21.2.2. Quarterly transactions

At the conclusion of each Reference Quarter, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.2.2.1. below;
- on each Quarterly Remittance Date, as regards the transactions referred to in 21.2.2.2. to 21.2.2.7. below;
- on each Transfer Date, as regards the transactions referred to in 21.2.2.8. *et seq.* below.

##### 21.2.2.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Originator's Income Ratio for the Reference Month of this Remittance Date;
- the Investor's Income Ratio for the Reference Month of this Remittance Date;
- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;
- the amount of the Commissions due on the relevant Remittance Date;
- the Monthly Net Margin for the Reference Month of this Remittance Date;
- the Net Margin for the three Reference Months preceding this Quarterly Remittance Date;

and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.2.2.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.2.2.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.2.2.4. *Distribution of the Available Income*

On each Remittance Date, the Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

21.2.2.5. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

21.2.2.6. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

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21.2.2.7. *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, first by debit of the Investor's Interest Account and if the credit balance on that account is insufficient, then by debit of the Reserve Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer by debit of the Originator's Interest Account.

21.2.2.8. *Priority Swap Arrears*

If Priority Swap Arrears are due from the Compartment to the Counterparty pursuant to a Priority Swap Transaction, the Management Company shall give the instructions necessary for the amount of the Priority Swap Arrears to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

21.2.2.9. *Priority Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

21.2.2.10. *Payment of the A Coupon*

The Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,

- by debit of the Reserve Account.

#### 21.2.2.11. *Subordinated Swap Arrears*

If Subordinated Swap Arrears are due by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.2.2.12. *Subordinated Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.2.2.13. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.2.2.14. *Reconstitution of the Reserve Account*

If the Maximum Reserve applicable on the Transfer Date concerned is more than the credit balance on the Reserve Account, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Reserve Account by debit of the Investor's Interest Account.

If, conversely, the credit balance on the Reserve Account is more than the Maximum Reserve applicable on the Transfer Date concerned, the Management Company shall give the necessary instructions to transfer

the positive difference between those two amounts to the Investor's Interest Account by debit of the Reserve Account.

21.2.2.15. *Payment of the R Coupon*

The Management Company shall give the instructions necessary for the potential credit balance of the Investor's Interest Account to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of R Coupon.

21.2.2.16. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

21.3. Normal Redemption Period

Prior to the commencement of a Normal Redemption Period, the Management Company shall calculate on a once for all basis:

- the Originator's Principal Ratio (fixed) applicable to the Normal Redemption Period;
- the Investor's Principal Ratio (fixed) applicable to the Normal Redemption Period.

21.3.1. Monthly transactions

In good time before each Remittance Date, the Management Company shall carry out the following transactions first as regards the preliminary calculations referred to in 1. below, then on each Remittance Date, as regards the transactions referred to in 2. and following below.

21.3.1.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Originator's Income Ratio for the Reference Month of this Remittance Date;
- the Investor's Income Ratio for the Reference Month of this Remittance Date;
- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;
- the amount of the Commissions due on the relevant Remittance Date;
- the Principal Available for the Reference Month of this Remittance Date;
- the Investor's Principal Available for the Reference Month of this Remittance Date;
- the Monthly Net Margin for the Reference Month of this Remittance Date;
- the Net Margin for the three Reference Months preceding this Remittance Date;

and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.3.1.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.3.1.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.3.1.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

21.3.1.5. *Distribution of the Investor's Available Principal*

The Management Company shall give the instructions necessary for the payment to the credit of the Investor's Principal Account, by debit of the General Account, of an amount equal to the lower of the two following amounts:

- the Investor's Available Principal; and
- one third of the difference between (a) the amount of the A and B Units deemed to be redeemed or to be redeemed until the Payment Date following the relevant Remittance Date, inclusive, in accordance with the Maturity Dates appearing in appendices 2 and 3 and (b) the amount of the A and B Units actually redeemed or to be redeemed until the Payment Date preceding the relevant Remittance Date, inclusive.

21.3.1.6. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

21.3.1.7. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the potential credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

21.3.1.7-b). *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer as follows:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Investor's Principal Account then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Reserve Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer by debit of the Originator's Interest Account.

21.3.1.8. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

21.3.2. Quarterly transactions

At the conclusion of each Reference Quarter, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.3.2.1. below;
- on each Quarterly Remittance Date, as regards the transactions referred to in 21.3.2.2. to 21.3.2.8. below;
- on each Transfer Date, as regards the transactions referred to in 21.3.2.9. *et seq.* below.

21.3.2.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;

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- the Investor's Available Income for the Reference Month of this Remittance Date;
  - the amount of the Commissions due on the relevant Remittance Date;
  - the Monthly Net Margin for the Reference Month of this Remittance Date;
  - the Net Margin for the three Reference Months preceding this Remittance Date;
  - the Available Principal for the Reference Month of this Remittance Date;
  - the Investor's Available Principal for the Reference Month of this Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

#### 21.3.2.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

#### 21.3.2.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

#### 21.3.2.4. *Distribution of the Available Income*

On each Remittance Date the Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

#### 21.3.2.5. *Distribution of the Investor's Available Principal*

The Management Company shall give the instructions necessary for the payment to the credit of the Investor's Principal Account, by debit of the General Account, of an amount equal to the lower of the two following amounts:

- the Investor's Available Principal; and
- the difference between (a) the amount of the A and B Units deemed to be redeemed or to be redeemed until the Payment Date following the relevant Remittance Date, inclusive, in accordance with the Maturity Dates appearing in appendices 2 and 3 and (b) the credit balance of the Investor's Principal Account on the said Remittance Date before the above-mentioned payment.

#### 21.3.2.6. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

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- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

#### 21.3.2.7. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

#### 21.3.2.8. *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer as follows:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Investor's Principal Account then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Reserve Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer by debit of the Originator's Interest Account.

#### 21.3.2.9. *Priority Swap Arrears*

If Priority Swap Arrears are due from the Compartment to the Counterparty pursuant to a Priority Swap Transaction, the Management Company shall give the instructions necessary for the amount of the Priority Swap Arrears to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.3.2.10. *Priority Swap Transaction*

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If an amount is owed by the Compartment to the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.3.2.11. *Payment of the A Coupon*

The Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.3.2.12. *Subordinated Swap Arrears*

If Subordinated Swap Arrears are due by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.3.2.13. *Subordinated Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.



If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

21.3.2.14. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

21.3.2.15. *Redemption of the A Units*

The Management Company shall give the instructions necessary for the payment to the Paying Agent:

- of the redemption amount for the A Units on the relevant Payment Date, in accordance with the Payment Schedule appearing in appendix 2,
- together with any redemption amount for the A Units on a preceding Payment Date in accordance with the Payment Schedule appearing in appendix 2, and which has remained unpaid,
- together with the corresponding commission of the Paying Agent.

This payment shall be made:

- by debit of the Investor's Principal Account, then, in the event of the insufficiency of the credit balance of this account and only if the Payment Date one Business Day after the relevant Transfer Date is the Final Redemption Date,
- by debit of the Reserve Account.

21.3.2.16. *Redemption of the B Units*

If the A Units are completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent:

- of the redemption amount for the B Units on the relevant Payment Date, in accordance with the Payment Schedule appearing in appendix 3,
- together with any redemption amount for the B Units on a preceding Payment Date in accordance with the Payment Schedule appearing in appendix 3, and which has remained unpaid,
- together with the corresponding commission of the Paying Agent.

This payment shall be made:

- by debit of the Investor's Principal Account, then, in the event of the insufficiency of the credit balance of this account and only if the Payment Date one Business Day after the relevant Transfer Date is the Final Redemption Date,
- by debit of the Reserve Account.

21.3.2.17. *Reconstitution of the Reserve Account*

If the Maximum Reserve applicable on the Transfer Date concerned is more than the credit balance on the Reserve Account, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Reserve Account by debit of the Investor's Interest Account.

If, conversely, the credit balance on the Reserve Account is more than the Maximum Reserve applicable on the Transfer Date concerned, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Investor's Interest Account by debit of the Reserve Account.

#### 21.3.2.18. *Payment of the R Coupon*

The Management Company shall give the instructions necessary for the potential credit balance of the Investor's Interest Account to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of R Coupon.

#### 21.3.2.19. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

### 21.4. Amended Redemption Period

Prior to the commencement of an Amended Redemption Period, the Management Company shall calculate on a once for all basis:

- the Originator's Principal Ratio (fixed) applicable to the Amended Redemption Period;
- the Investor's Principal Ratio (fixed) applicable to the Amended Redemption Period.

#### 21.4.1. Monthly transactions

In good time before each Remittance Date, the Management Company shall carry out the following transactions first as regards the preliminary calculations referred to in 1. below, then on each Remittance Date, as regards the transactions referred to in 2. and following below.

##### 21.4.1.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Originator's Income Ratio for the Reference Month of this Remittance Date;
- the Investor's Income Ratio for the Reference Month of this Remittance Date;
- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;
- the Principal Available for the Reference Month of this Remittance Date;
- the Investor's Principal Available for the Reference Month of this Remittance Date;
- the amount of the Commissions due on the relevant Remittance Date;

and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.4.1.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.4.1.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.4.1.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

21.4.1.5. *Distribution of the Investor's Available Principal*

The Management Company shall give the instructions necessary for the payment to the credit of the Investor's Principal Account, of the amount of the Investor's Available Principal.

21.4.1.6. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the

corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

21.4.1.7. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

21.4.1.7-b). *Repayment of the Cash Advances Outstanding*

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, by debit of the Originator's Interest Account.

21.4.1.8. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

21.4.2. Quarterly transactions

At the conclusion of each Reference Quarter, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.4.2.1. below;
- on each Quarterly Remittance Date, as regards the transactions referred to in 21.4.2.2. to 21.4.2.8. below;
- on each Transfer Date, as regards the transactions referred to in 21.4.2.9. *et seq.* below.

21.4.2.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Available Income for the Reference Month of this Remittance Date;
- the Originator's Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;
- the amount of the Commissions due on the relevant Remittance Date;
- the Available Principal for the Reference Month of this Remittance Date;
- the Investor's Available Principal for the Reference Month of this Remittance Date;

and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.4.2.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.4.2.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.4.2.4. *Distribution of the Available Income*

On each Remittance Date, the Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

21.4.2.5. *Distribution of the Investor's Available Principal*

The Management Company shall give the instructions necessary for the payment to the credit of the Investor's Principal Account, of the amount of the Investor's Available Principal.

21.4.2.6. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

21.4.2.7. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

21.4.2.8. *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer as follows:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Investor's Principal Account then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Reserve Account.

21.4.2.9. *Priority Swap Arrears*

If Priority Swap Arrears are due from the Compartment to the Counterparty pursuant to a Priority Swap Transaction, the Management Company shall give the instructions necessary for the amount of the Priority Swap Arrears to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

21.3.2.10. *Priority Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

21.4.2.11. *Payment of the A Coupon*

The Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

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- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account, then, in the event of the insufficiency of the credit balance of this account,
- by debit of the Investor's Principal Account.

#### 21.4.2.12. *Subordinated Swap Arrears*

If Subordinated Swap Arrears are due by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.4.2.13. *Subordinated Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.4.2.14. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,

- by debit of the Reserve Account, then, in the event of the insufficiency of the credit balance of this account,
- by debit of the Investor's Principal Account.

#### 21.4.2.14-b). *Reconstitution of the Reserve Account*

If the Maximum Reserve applicable on the Transfer Date concerned is more than the credit balance on the Reserve Account, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Reserve Account first by debit of the Investor's Interest Account and if the credit balance thereon is insufficient, then by debit of the Investor's Principal Account.

If, conversely, the credit balance on the Reserve Account is more than the Maximum Reserve applicable on the Transfer Date concerned, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Investor's Interest Account by debit of the Reserve Account.

#### 21.4.2.15. *Redemption of the A Units*

As long as the A Units have not been redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the A Units and of the corresponding commission of the Paying Agent, of the credit balance of the Investor's Principal Account and the credit balance of the Investor's Interest Account up to the amount of the nominal amount outstanding for the A Units and of the corresponding commission of the Paying Agent.

#### 21.4.2.16. *Redemption of the B Units*

If the A Units are completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the B Units and of the corresponding commission of the Paying Agent, of the credit balance of the Investor's Principal Account and the credit balance of the Investor's Interest Account, up to the amount of the nominal amount outstanding for the B Units and of the corresponding commission of the Paying Agent:

#### 21.4.2.17. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

### 21.5. Compulsory Redemption Period

#### 21.5.1. Monthly transactions

In good time before each Remittance Date, the Management Company shall carry out the following transactions first as regards the preliminary calculations referred to in 1. below, then on each Quarterly Remittance Date, as regards the transactions referred to in 2. and following below.



21.5.1.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Available Income for the Reference Month of this Remittance Date;
  - the amount of the Commissions due on the relevant Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.5.1.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.5.1.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.5.1.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the payment of the amount of the Investor's Available Income to the credit of the Investor's Interest Account, by debit of the General Account.

21.5.1.5. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

21.5.2. Quarterly transactions

At the conclusion of each Reference Quarter, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.5.2.1. below;
- on each Quarterly Remittance Date, as regards the transactions referred to in 21.5.2.2. to 21.4.2.5. below;
- on each Transfer Date, as regards the transactions referred to in 21.5.2.6. *et seq.* below.

21.5.2.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Available Income for the Reference Month of this Remittance Date;
  - the amount of the Commissions due on the relevant Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.5.2.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.5.2.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.5.2.4. *Distribution of the Available Income*

On each Remittance Date, the Management Company shall give the instructions necessary for the payment of the amount of the Available Income to the credit of the Investor's Interest Account, by debit of the General Account.

21.5.2.5. *Repayment of the Cash Advances Outstanding*

If the Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, first by debit of the Investor's Interest Account and if the credit balance on that account is insufficient, then by debit of the Reserve Account.

21.5.2.6. *Priority Swap Arrears*

If Priority Swap Arrears are due from the Compartment to the Counterparty pursuant to a Priority Swap Transaction, the Management Company shall give the instructions necessary for the amount of the Priority Swap Arrears to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,

- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.5.2.7. *Priority Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.5.2.8. *Payment of the A Coupon*

The Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Cash Advances,
- by debit of the Reserve Account then, in the event of the insufficiency of the credit balance of this account,
- by debit of the General Account.

#### 21.5.2.9. *Subordinated Swap Arrears*

If Subordinated Swap Arrears are due by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.5.2.10. *Subordinated Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.5.2.11. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account, then in the event of the insufficiency of the credit balance of this account,
- by debit of the General Account.

#### 21.5.2.11-b). *Reconstitution of the Reserve Account*

If the Maximum Reserve applicable on the Transfer Date concerned is more than the credit balance on the Reserve Account, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Reserve Account first by debit of the Investor's Interest Account and if the credit balance thereon is insufficient, then by debit of the Investor's Principal Account.

If, conversely, the credit balance on the Reserve Account is more than the Maximum Reserve applicable on the Transfer Date concerned, the Management Company shall give the necessary instructions to transfer the positive difference between those two amounts to the Investor's Interest Account by debit of the Reserve Account.

#### 21.5.2.12. *Redemption of the A Units*

As long as the A Units have not been completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the A Units together with the corresponding commission of the Paying Agent:

- of the potential credit balance of the Investor's Interest Account, and
- the potential credit balance of the General Account.

#### 21.5.2.13. *Redemption of the B Units*

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If the A Units are completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the B Units together with the corresponding commission of the Paying Agent

- of the potential credit balance of the Investor's Interest Account, and
- the potential credit balance of the General Account.

#### 21.5.2.14. *Redemption of the C Units and R Units*

If the A and B Units are completely redeemed, the Management Company shall give the instructions necessary for the transfer to the Paying Agent for payment to the Originator, by way of redemption of the R Units then of the C Units, of the potential credit balance of each of the accounts of the Compartment.

#### 21.5.2.15. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

### 21.6. Full Early Redemption

In the event that the Originator opts for Full Early Redemption, under the conditions defined in sub-article 19.3, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.6.1. below;
- on each Quarterly Remittance Date, as regards the transactions referred to in 21.6.2. to 21.6.7. below;
- on each Transfer Date, as regards the transactions referred to in 21.6.8. *et seq.* below.

#### 21.6.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Originator's Income Ratio for the Reference Month of this Remittance Date;
- the Investor's Income Ratio for the Reference Month of this Remittance Date;
- the Available Income for the Reference Month of this Remittance Date;
- the Investor's Available Income for the Reference Month of this Remittance Date;
- the Available Principal for the Reference Month of this Remittance Date;
- the amount of the Commissions due on the relevant Remittance Date;

and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

#### 21.6.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management

Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

#### 21.6.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

#### 21.6.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the payment:

- of the amount of the Investor's Available Income to the credit of the Investor's Interest Account;
- of the amount of the Originator's Available Income to the credit of the Originator's Interest Account.

The payments referred to above shall be effected *pari passu*, by debit of the General Account.

#### 21.6.5. *New Loans Acquisition – Issuance of new C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.3., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the from the Originator in advance the sums corresponding to the issuance of the new C Units issued on this date.

#### 21.6.6. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be paid to the Originator, by debit of this account, by way of C Coupon.

#### 21.6.7. *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer as follows:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Investor's Principal Account then, in the event of the insufficiency of the credit balance on this account,

- by debit of the Reserve Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, by debit of the Originator's Interest Account.

#### 21.6.8. *Priority Swap Arrears*

If Priority Swap Arrears are due from the Compartment to the Counterparty pursuant to a Priority Swap Transaction, the Management Company shall give the instructions necessary for the amount of the Priority Swap Arrears to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.9. *Priority Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Priority Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.6.10. *Payment of the A Coupon*

The Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.11. *Subordinated Swap Arrears*

If Subordinated Swap Arrears are due by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.12. *Subordinated Swap Transaction*

If an amount is owed by the Compartment to the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall give the instructions necessary for this amount to be paid to the Counterparty:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

If on the other hand an amount is owed to the Fund by the Counterparty pursuant to a Subordinated Swap Transaction on this date, the Management Company shall verify the payment of this amount by the Counterparty, and its entry as a credit to the Investor's Interest Account.

#### 21.6.13. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.14. *Redemption of the A Units*

As long as the A Units have not been redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent:

- of the nominal amount remaining due for the A Units on the relevant Payment Date,
- together with the corresponding commission of the Paying Agent.

This payment shall be made:

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- by debit of the General Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.15. *Redemption of the B Units*

If the A Units are completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent:

- of the nominal amount remaining due for the B Units on the relevant Payment Date,
- together with the corresponding commission of the Paying Agent.

This payment shall be made:

- by debit of the General Account, then, in the event of the insufficiency of the credit balance of this account,
- by a call for Investor's Cash Advances, on condition that the Investor's Liquidity Ceiling is complied with, less any Originator's Cash Advances Outstanding, then, in the event of insufficiency of these Investor's Cash Advances,
- by debit of the Reserve Account.

#### 21.6.16. *Payment of the R Coupon*

The Management Company shall give the instructions necessary for the potential credit balance of the Investor's Interest Account to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of R Coupon.

#### 21.6.17. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

#### 21.7. Period following the Final Redemption Date of the Units

If, on the Final Redemption Date of the Units, the A, B and R Units are not completely redeemed, the Management Company shall calculate on a once for all basis the Final Investor Ratio.

##### 21.7.1. Monthly transactions

In good time before each Remittance Date, the Management Company shall carry out the following transactions first as regards the preliminary calculations referred to in 1. below, then on each Remittance Date, as regards the transactions referred to in 2. and following below.

##### 21.7.1.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

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- the Final Income for the Reference Month of this Remittance Date;
  - the Investor's Final Income for the Reference Month of this Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

21.7.1.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

21.7.1.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

21.7.1.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the following payments to be made:

- the amount of the Investor's Final Income to the credit of the Investor's Interest Account;
- the amount of the difference between:
  - . an amount equal to:
    - the total amount of the interest received by the Servicer in respect of all the Loans in the course of the relevant Reference Month (excluding Insurance Premiums received in respect of the Loans in the course of this same Reference Month) ;
    - reduced by the principal amounts which have become due and which remain unpaid in respect of all the Loans in the course of the relevant Reference Month;
    - increased by the Rectifications received by the Servicer in respect of all the Loans in Default in the course of the relevant Reference Month;
    - reduced by the Principal Amounts Outstanding under the Loans which have become Loans in Default in the course of the relevant Reference Month;
    - increased by the Recoveries received by the Servicer in respect of all the Loans in Default in the course of the relevant Reference Month;
    - reduced by the expenses due and commissions incurred in the course of the relevant Reference Month, to be paid by the Compartment in accordance with article 22;
    - reduced by the amount of the Insurance Premiums advanced by the Servicer in the course of the relevant Reference Month; and
  - . the Investor's Final Income.

To the credit of the Originator's Interest Account,

The payments referred to above to be made *pari passu*, by debit of the General Account.

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21.7.1.5. *New Loans Acquisition – Issuance of new C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 17.1, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.
- (iii) Shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the from the Originator in advance the sums corresponding to the issuance of the new C Units issued on this date.

21.7.1.6. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

21.7.1.6-b). *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer as follows:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance on this account,
- by debit of the Investor's Principal Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, by debit of the Originator's Interest Account.

21.7.1.7. *Placement of the cash balances*

The Management Company shall ensure that the credit balances of the Accounts of the Compartment after the transactions referred to above are placed under the conditions defined in article 24.

21.7.1. Quarterly transactions

At the conclusion of each Reference Quarter, the Management Company shall on a quarterly basis carry out the transactions described hereinafter:

- in good time before each Quarterly Remittance Date, as regards the preliminary calculations referred to in 21.7.2.1. below;

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- on each Quarterly Remittance Date, as regards the transactions referred to in 21.7.2.2. to 21.7.2.7. below;
- on each Transfer Date, as regards the transactions referred to in 21.7.2.8. *et seq.* below.

#### 21.7.2.1. *Preliminary calculations*

The Management Company shall carry out the following calculations:

- the Final Income for the Reference Month of this Remittance Date;
  - the Investor's Final Income for the Reference Month of this Remittance Date;
- and verify the amount of the Cash Receipt Adjustment made by the Servicer in respect of the Reference Month of that Remittance Date.

#### 21.7.2.2. *Monthly adjustment*

On each Remittance Date, either (i) the Servicer shall credit the General Account with an amount corresponding to the Cash Receipt Adjustment, if said amount is positive, or (ii) the Management Company shall give the necessary instructions for an amount corresponding to the Cash Receipt Adjustment, if said amount is negative, to be transferred to the Servicer by debit of the General Account.

#### 21.7.2.3. *Payment of Commissions*

The Management Company shall give the instructions necessary for the amount of the Commissions due on this date to be paid to the beneficiaries, by debit from the General Account.

The Management Company shall give the necessary instructions for the amount of Insurance Premiums due in respect of Live Loans during the Reference Month to be transferred to the Servicer by debit of the General Account.

#### 21.7.2.4. *Distribution of the Available Income*

The Management Company shall give the instructions necessary for the following payments to be made:

- the amount of the Investor's Final Income to the credit of the Investor's Interest Account;
- the amount of the difference between:
  - . an amount equal to:
    - the total amount of the interest received by the Servicer in respect of all the Loans in the course of the relevant Reference Month (excluding Insurance Premiums received in respect of the Loans in the course of this same Reference Month) ;
    - reduced by the principal amounts which have become due and which remain unpaid in respect of all the Loans in the course of the relevant Reference Month;
    - increased by the Rectifications received by the Servicer in respect of all the Loans in Default in the course of the relevant Reference Month;
    - reduced by the Principal Amounts Outstanding under the Loans which have become Loans in Default in the course of the relevant Reference Month;
    - increased by the Recoveries received by the Servicer in respect of all the Loans in Default in the course of the relevant Reference Month;

- reduced by the expenses due and commissions incurred in the course of the relevant Reference Month, to be paid by the Compartment in accordance with article 22;
- reduced by the amount of the Insurance Premiums advanced by the Servicer in the course of the relevant Reference Month; and
- . the Investor's Final Income.

To the credit of the Originator's Interest Account,

The payments referred to above to be made *pari passu*, by debit of the General Account.

#### 21.7.2.5. *New Loans Acquisition – Issuance or redemption of C Units*

The Management Company:

- (i) shall, if necessary, issue new C Units under the conditions defined in sub-article 19.2., and shall verify the payment by the Originator of the corresponding issue price, to the credit of the General Account;
- (ii) shall, if necessary proceed with the redemption of certain C Units under the conditions defined in sub-article 17.1., and shall give the instructions necessary for the payment to the Originator of the corresponding amount of assignment principal, by debit of the General Account;
- (iii) shall proceed with the New Loans Acquisition agreed on this date under the conditions defined in article 18, and shall give the instructions necessary for the payment to the Originator of the corresponding assignment price, by debit of the General Account.

The payments referred to above shall be made in such a way that the Compartment shall never pay any assignment price to the Originator in respect of the Loans assigned by it, without having received the corresponding sums from the Originator in advance, if applicable, upon the issuance of the new C Units issued on this date.

#### 21.7.2.6. *Payment of the C Coupon*

The Management Company shall give the instructions necessary for the credit balance of the Originator's Interest Account, less any Originator's Cash Advances Outstanding, to be transferred to the Paying Agent for payment to the Originator, by debit of this account, by way of C Coupon.

#### 21.7.2.7 *Repayment of the Cash Advances Outstanding*

If the Investor's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer by debit of the Investor's Interest Account.

If the Originator's Cash Advances Outstanding are more than zero, the Management Company shall give the necessary instructions for said Cash Advances Outstanding to be reimbursed to the Servicer, by debit of the Originator's Interest Account.

#### 21.7.2.8. *Payment of the A Coupon*

If the A Units are not completely redeemed, the Management Company shall give the instructions necessary for the amount of the A Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

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- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by debit of the Reserve Account.

21.7.2.9. *Payment of the B Coupon*

The Management Company shall give the instructions necessary for the amount of the B Coupon to be paid to the Paying Agent, together with the corresponding commission of the Paying Agent:

- by debit of the Investor's Interest Account, then, in the event of the insufficiency of the credit balance of this account,
- by debit of the Reserve Account.

21.7.2.10. *Redemption of the A Units*

As long as the A Units have not been completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the A Units together with the corresponding commission of the Paying Agent of the credit balance of the Investor's Interest Account, up to the amount of the nominal sum remaining due for the A Units and the corresponding Commission of the Paying Agent.

21.7.2.11. *Redemption of the B Units*

If the A Units are completely redeemed, the Management Company shall give the instructions necessary for the payment to the Paying Agent, by way of payment for the redemption of the B Units together with the corresponding commission of the Paying Agent of the credit balance of the Investor's Interest Account, up to the amount of the nominal sum remaining due for the B Units and the corresponding Commission of the Paying Agent

21.7.2.12. *Redemption of the R Units*

If the B Units are completely redeemed, the Management Company shall give the instructions necessary for the transfer to the Paying Agent for payment to the Originator, of the nominal sum remaining due for the R Units by debit of the Investor's Interest Account.

21.7.2.13. *Liquidation*

If, at any time, the A, B and R Units are completely redeemed, the Management Company shall proceed to liquidate the Compartment under the conditions defined in article 26.

If, on the Payment Date two years after the Final Redemption Date of the Units, the A and/or B and/or R Units are still not completely redeemed, those Units which have not been redeemed shall be deemed to have expired together with all rights incidental thereto, if applicable, relating to potential interest arrears. The Company shall proceed with the liquidation of the Compartment under the conditions defined in article 26, on the understanding that insofar as necessary the C Units shall not expire at the same time as the A, B and R Units, and shall continue to form part of the liabilities of the Compartment until the complete redemption of those Units and/or until the liquidation of the Compartment.

## **Article 22 – Expenses and commission**

The expenses and commission for which the Compartment shall be responsible are identified in Appendix 4 hereto.

The other expenses for setting up the Fund and the Compartment, and for the issuance and placement of the Units shall be assumed by the Originator, in accordance with the Loan Assignment and Management Agreement.

The commission of the auditor shall be payable by the Management Company and covered on an inclusive basis in its commission.

## **PART VI – CASH FLOW OF THE COMPARTMENT AND INVESTMENT RULES**

### **Article 23 – Accounts of the Compartment**

Prior to the Compartment Inception Date, the Management Company has opened five deposit accounts in the name of the Compartment on the books of the Settlement Bank: the General Account, the Reserve Account, the Originator's Interest Account, the Investor's Interest Account and the Investor's Principal Account.

An associated financial instruments account has also been opened in the case of each of these accounts.

### **Article 24 – Rules for the investment of cash flows**

The Management Company, or any other entity acting under its control, shall invest any temporarily available sums pending allocation which form part of the assets of the Compartment, namely those standing to the credit of the accounts referred to in article 23.

These sums shall be placed in accordance with the rules defined in article 24 of the General Regulations and in accordance with the following specific rules:

- placements shall be made on each Remittance Date and must mature at the latest on the following Remittance Date, with the exception of possible shares in SICAVs [investment trusts] or shares of FCPs [mutual funds];
- securities having a maturity date must be rated at least P1 (Moody's) and F-1+ (Fitch) short term notes, or A2 (Moody's) and AA- (Fitch) for long-term notes, or must be recognised by the agencies as having a credit rating equivalent to those ratings;

- potential term deposits must be made on the books of credit institutions whose short term securities are rated P1 (Moody's) and F-1+ (Fitch) (or F-1 (Fitch) up to a limit of 20 % of the amounts invested), or must be recognised by those agencies as having an equivalent credit rating to those set out in this paragraph;
- potential shares in SICAVs or shares in FCPs shall only be shares in SICAV's or shares in monetary FCPs denominated in French Francs and rated Aaa (Moody's) and AAA (Fitch), or recognised by those agencies as having an equivalent rating;
- the securities or placements shall not be assigned or cleared before their maturity date, except on an exceptional basis on the instructions of the Management Company justified by concern for the protection of the interests of the holders of Units relating in particular to the worrying situation of the issuer of the securities the transfer of which is envisaged or to the risk of a malfunction in the market or in interbank payments on the date the securities mature.

## **PART VII – RISK PROTECTION MECHANISMS**

### **Article 25 – Identification of risks and protection mechanisms**

#### **25.1. Description of risks and protection mechanisms**

Unit holders are exposed to the risk of Amended Redemption of the Units pursuant to the provisions of Article 17.2. hereof, such that the Redemption Schedules shows in Appendices 2 and 3 cannot be guaranteed. In this respect, the Management Company shall not declare a payment default in respect of A and B Unit redemptions unless the A and B Units have not been fully redeemed on the Final Unit Redemption Date.

The Unit holders are notably exposed to the following risks with respect to the Loans:

- default of the Originator;
- a multiplication of payment arrears and Borrower defaults;
- the risk of the Fund occasionally having insufficient liquidity to make New Loans Acquisitions during the New Loans Acquisition Period or the Normal Redemption Period;
- interest risk rate due to the fact that the Loans bear interest at a revisable fixed nominal rate and the A and B units bear interest at a floating rate;

The Unit holders are protected against said risks through the following mechanisms:

- the provisional payment principle;
- for the A and B Unit holders only, the Investor's Cash Advances;
- constitution of the Reserve;
- for the A Unit holders only, the issue of B Units, which shall bear the risk of Borrower default in priority pursuant to the provisions of Article 9 of the Decree and the provisions set forth hereinafter;
- the Cash Advances



- for the A and B Unit holders only, the Swap Transaction.

The said protection mechanisms are described in detail below.

#### 25.1-b. Provisional Payment

In accordance with the Loan Assignment and Management Agreement, and in order to protect the Compartment against the risk of the Originator's default, the Originator has undertaken to make a provisional payment on each Monthly Instalment Date equal to all the sums it expects to receive on that date in principal, interest and Insurance Premiums in respect of the Loans it manages on behalf of the Compartment, providing that on each Remittance Date the Management Company shall make an adjustment under the terms and conditions set forth in Article 21, such that the sums effectively received by the Compartment in principal, interest and Insurance Premiums in respect of the Loans correspond to the sums effectively collected in principal, interest and Insurance Premiums by the Servicer on that date.

#### 25.2. Cash Advances

In accordance with the Loan Assignment and Management Agreement, and in order to protect the Compartment against the liquidity risk caused by payment arrears on the Loans, Investor's Cash Advances will be made where necessary by the Originator and allocated to the Compartment, and shall be repaid to the Originator under the terms and conditions set forth in Article 21.

In accordance with the Loan Assignment and Management Agreement, and in order to protect the Compartment against the risk of occasionally having insufficient liquidity to make a New Loans Acquisition during the New Loans Acquisition Period or the Normal Redemption Period, Originator's Cash Advances and Investor's Cash Advances shall be made where necessary by the Originator and allocated to the Compartment, and shall be repaid to the Originator under the terms and conditions set forth in Articles 18 and 21, it being stipulated that such Cash Advances shall be made within the limits respectively of the Originator's Liquidity Ceiling and the Investor's Liquidity Ceiling and to the extent that this does not affect payment of the A and B Coupons.

The Originator's commitment with respect to Cash Advances on a given date shall be restricted to the smaller of i) the unpaid amount in respect of the Live Loans on that date and ii) the amount of the credit balance on the Reserve Account on that date (the Liquidity Ceiling). Accordingly, as long as the Cash Advances Outstanding are at least equal to the Liquidity Ceiling, the Originator shall make no further Cash Advances.

The Cash Advances shall not bear interest.

As a guarantee of the punctual and full performance of the Originator's obligations with respect to the Cash Advances, for as long as the Originator remains unrated or its short-term rating remains below P1 (Moody's) or F-1 (Fitch), the Originator shall on the Compartment Inception Date constitute for the benefit of the Compartment a cash collateral account.

The amount of cash collateral to be held on the account, as calculated by the Management Company, shall on each Remittance Date be equal to the lower of the following two amounts:

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- the amount of the credit balance on the Reserve Account after any debit or credit entries made on that date, in accordance with the provisions of Article 21;
- an amount equal to one percent (1%) of the nominal value of the A and B Units on the Compartment Inception Date.

The cash collateral shall be held on a special account opened for that purpose in the name of the Fund, making reference to the name of the Compartment, and held on the books of the Settlement Bank. The account may only be debited for the purpose of calling upon, adjusting or reimbursing the cash collateral, to the exclusion of any other purpose. The cash collateral shall be invested in accordance with the provisions of Article 24 hereof.

The Originator shall be remunerated for the sums held on the cash collateral account in an amount equal to the Financial Income generated from the investment of said sums and payable quarterly on each Quarterly Remittance Date.

The cash collateral shall be returned in full to the Originator as soon as it obtains a short-term rating at least equal the levels referred to above or, failing that, upon liquidation of the Compartment.

### 25.3. Reserve

A Reserve shall be constituted on the Compartment Inception Date in an initial amount equal to EUR 5,113,680 to be transferred to the Reserve Account by the Originator on the Compartment Inception Date.

Further, on each Remittance Date or where applicable Quarterly Remittance Date during the New Loans Acquisition Period, the Normal Redemption Period, the Amended Redemption Period and the Compulsory Redemption Period, the Reserve Account shall be credited or debited in accordance with the provisions of Article 21 hereof, such that the balance on the Reserve Account reaches the Maximum Reserve applicable on that date.

If the Remittance Date falls within the New Loans Acquisition Period or the Normal Redemption Period, the Maximum Reserve shall be equal to EUR 5,113,680.

If the Remittance Date falls within the Amended Redemption Period or the Compulsory Redemption Period, the Maximum Reserve shall be equal to the product of (i) 1% and (ii) the nominal value outstanding on the A and B Units on that Remittance Date, after taking account of any redemption due to take place in respect of those Units on the Payment Date immediately following that Remittance Date. In any event, the Maximum Reserve shall be less than or equal to EUR 5,113,680.

### 25.4. B Units

The right of B Unit holders to receive either interest or principal payments is subordinated to the right of A Unit holders to receive interest and principal payments pursuant to the provisions of Article 21 hereof.

The purpose of this condition is to ensure that the A Unit holders receive interest and principal payments on a regular basis, within the limits of the rights attached to the B Units.

The subordination mechanism thereby confers preferential rights on A Unit holders as follows:

- (i) to receive on each Payment Date the interest due to them in priority to the interest due to the B Unit holders;
- (ii) to receive on each Payment Date during the Normal Redemption Period the principal sums due to them in priority to the principal sums due to the B Unit holders;
- (iii) to receive on each Payment Date during the Amended Redemption Period the entire principal sums due in respect of the A and B Units, with principal payments due to the B Unit holders being suspended until such time as the A Units have been fully redeemed.

#### 25.5. Swap Transaction(s)

With the sole aim of ensuring that the Compartment is able to meet its commitments towards the holders of A and B Units, and more particularly to protect it against the interest rate risk arising due to the fact that the Loans bear interest at a revisable fixed rate while the A and B units bear interest at a floating rate, two interest rate swap transactions have been entered into by the Compartment and the Counterparty, the Counterparty being Crédit Lyonnais acting through its New York branch under the *Credit Lyonnais Derivatives Program*, which is subject to the AFB Master Agreement.

The *Credit Lyonnais Derivatives Program* is a program implemented by Crédit Lyonnais, pursuant to which the obligations of its New York branch in respect of contracts relating to derivative products are guaranteed by CLFG, an *ad hoc* subsidiary of Financial Security Assurance Holdings Ltd., such that the obligations thus guaranteed are rated Aaa by Moody's and AAAt by Standard & Poor's.

The Priority Swap Transaction is a transaction with an undetermined notional redemption schedule, which evolves in line with the nominal value outstanding on the A Units, the floating rate leg of which is referenced to 3-month Euribor. In respect of this transaction, the Compartment shall pay a fixed rate of interest and receive a floating rate of interest equal to 3-month Euribor per annum.

The Subordinated Swap Transaction is a transaction with an undetermined notional redemption schedule, which evolves in line with the nominal value outstanding on the B Units, the floating rate leg of which is referenced to 3-month Euribor. In respect of this transaction, the Compartment shall pay a fixed rate of interest and receive a floating rate of interest equal to 3-month Euribor per annum.

In accordance with the said transactions, the Compartment shall pay the Counterparty the fixed-rate interest payment on a quarterly basis and the Counterparty shall contemporaneously pay the Compartment the floating-rate interest payment, in such a way that the sums due in respect of the fixed-rate and floating-rate payments are netted and give rise to payment of the net balance to the beneficiary.

Any Swap Arrears shall not constitute grounds to terminate the Swap Transactions.

Each of the transactions may be interrupted during the life of the Compartment, on a Quarterly Remittance Date and without payment of a cash balance, at the sole discretion of the Management Company, subject

to the Counterparty being given at least ten (10) days' notice thereof. Notwithstanding the foregoing, the Management Company may only interrupt a Swap Transaction if the following conditions are met:

- a new interest rate swap transaction is entered into, taking effect on the date of interruption of the Swap Transaction in question and having the same maturity date;
- the new interest rate swap transaction must protect the Compartment against the risks referred to in this Article at least as effectively as the interrupted Swap Transaction;
- the Compartment's counterparty in respect of the new interest rate swap transaction must have a sufficiently good credit rating assigned by the Rating Agencies so as not to occasion a deterioration or withdrawal of any of the Credit Ratings then prevailing;
- more generally, the Management Company must consult the Rating Agencies before interrupting a Swap Transaction and entering into a replacement transaction, and must obtain confirmation that this will not occasion a deterioration or withdrawal of any of the Credit Ratings then prevailing.

## **PART VIII – SALE OF LOANS AND LIQUIDATION OF THE COMPARTMENT**

### **Article 26 – Dissolution and liquidation**

#### **26.1. General liquidation rules**

The Compartment shall be liquidated no later than six months after the last remaining Loan comprising its assets has been extinguished, written off or sold.

Liquidation shall take place in accordance with the provisions of Article 34 of the Act.

The Management Company, Custodian and statutory auditors shall continue to exercise their duties until the liquidation process is complete.

#### **26.2. Early liquidation**

Under certain circumstances, the Loans comprising the Compartment's assets may be sold in their entirety on one single occasion.

In accordance with the legislation applicable on the Compartment Inception Date, the Loans comprising the Compartment's assets:

- (i) shall be assigned in their entirety on one single occasion if it is in the interests of the Unit holders to liquidate the Compartment and in the following circumstances:

- the Fund has been unable to acquire Loans or reissue Units after the initial issuance of the Units with a view to their allocation to the Compartment in accordance with the provisions of the Fund Regulations;
- the temporary cash surpluses pending allocation referred to in Article 24 hereof represent over 60% of the Compartment's assets for a period of six months;
- new circumstances arise, other than the recorded level of borrower default, of a nature likely to lead to a deterioration in the level of security afforded to the Unit holders.

(ii) may be assigned in their entirety and on one single occasion in the following circumstances:

- the principal amount outstanding in respect of Loans which are not in arrears falls below 10% of the maximum principal amount outstanding recorded since the Compartment Inception Date in respect of Loans which are not in arrears (that being 10% of the Principal Amount Outstanding in respect of the Loans on the Compartment Inception Date);
- the Units are owned by a single holder and that holder so requests;
- the Units are owned only by the Originator and the Originator so requests.

Should any of the aforesaid events occur, the Management Company, acting on behalf of the Compartment, may sell the remaining Loans comprising the Compartment's assets in their entirety and on one single occasion, but shall have no obligation as such towards the Originator.

The Management Company shall first advise the Originator of its intention to sell the Loans assigned by the Originator, indicating the price envisaged, which shall be fixed in accordance with normal market conditions.

The Originator may then decide to acquire the Loans at the proposed price in which case the sale of the Loans concerned shall take place on the next available Remittance Date. The sale proceeds shall be credited to the Compartment's General Account.

Should the Originator decide not to acquire the Loans in accordance with the provisions of the preceding paragraph within a period of two months from receipt of notice from the Management Company of its intent to sell the Loans, the Management Company may sell the Loans concerned to any entity authorised to acquire them, at a price equal to or higher than the lowest price proposed by the Management Company to the Originator.

In any event:

- the Loans comprising the Compartment's assets may only be sold in their entirety and on one single occasion to one or several purchasers;
- the sale price of the Loans shall be sufficient to provide the Compartment with the sums required to pay all principal and interest remaining due to the A, B and C Unit holders, together with any other liabilities the Compartment may have towards third parties.

### **Article 27 – Liquidation surplus**

Any liquidation surplus generated by the Compartment shall be repaid to the Originator.

## **PART IX – ACCOUNTING PRINCIPLES**

### **Article 28 – Compartment accounting**

Pursuant to the provisions of the Act, the Fund shall hold separate accounting records for the Compartment.

The Management Company shall prepare the financial statements for the Compartment in accordance with generally accepted accounting standards, as summarised in Article 28 of the General Regulations, and shall submit them in timely fashion to the statutory auditors to permit them to carry out their statutory obligations.

Although the Units are denominated in EUR, the Compartment's accounting records shall be kept in FRF until the FRF has been definitively replaced by the EUR in accordance with the law. Accordingly, until that time, all transfers of funds referred to in the Special Regulations shall be made in FRF, including all payments to be made to the Unit holders. The Paying Agent or the SICOVAM shall be responsible for converting such sums into EUR upon instruction of the Management Company.

The Compartment's financial year shall begin on the final Closing Date in the previous year and end on the final Closing Date in the current year. By way of exception, the first financial year shall begin on 24 November 2000 and end on 22 December 2001 (this Closing Date, which is situated just prior to the definitive changeover to the euro, may be moved at the Servicer's discretion so as to be as close as possible to the changeover date).

## **PART X – INFORMATION RELATING TO THE COMPARTMENT**

### **Article 29 – Periodical information**

#### **29.1 Annual information**

No later than four months after each year end, the Management Company shall prepare and publish, under the Custodian's control, a report on the Compartment's operations for the year, which shall include the following:

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- (i) Accounting documents:
  - (a) an inventory of assets, including:
    - details of the Loan portfolio(s) (or Loan categories);
    - the amount and breakdown of cash surpluses;
  - (b) the annual financial statements and notes thereto referred to in the recommendation issued by the French National Accounting Board (*Conseil National de la Comptabilité*) and, where applicable, a detailed statement of liabilities and guarantees received.
- (ii) A management report containing the following information:
  - (a) the type, amount and percentage of miscellaneous expenses and fees paid by the Compartment during the year;
  - (b) the level of temporary cash surpluses pending allocation recorded during the year expressed as a percentage of the Compartment's assets;
  - (c) a description of operations carried out on behalf of the Compartment during the year (Units issued, New Loans Acquisitions);
  - (d) information relating to the Loans and the series of Units issued by the Compartment;
  - (e) more generally, all information required by the applicable instruction issued by the *Commission des Opérations de Bourse*.
- (iii) Any amendments to the credit rating document(s) or characteristics described in the Offering Circular and any events likely to have an impact on the Units representing the assets allocated to the Compartment.
- (iv) Any other information required under the provisions of the law in force for the time being.

The statutory auditors shall certify that the information contained in the annual report is true and fair.

## 29.2. Half-yearly information

No later than three months after each half-year end, the Management Company shall prepare and publish, under the Custodian's control, a half-yearly report including the following:

- (i) The financial statements described in Article 29.1. hereof, prepared by the Management Company, specifying that said statements have been subject to a restricted audit by the statutory auditors.
- (ii) A management report containing the information referred to in (b), (c) and (d) of Article 29.1. (ii) hereof.

- (iii) Any amendments to the credit rating document(s) or characteristics described in the Offering Circular and any events likely to have an impact on the Units representing the assets allocated to the Compartment.
- (iv) Any other information required under the provisions of the law in force for the time being.

The statutory auditors shall attest that the information contained in the half-yearly report is true and fair.

### 29.3 Monthly information

The Management Company shall provide the Rating Agencies, at their request, with monthly reports. The format and contents of such reports shall be defined by the Management Company in conjunction with the Rating Agencies concerned.

## **Article 30 – Publication of information**

### 30.1. Publication of the Offering Circular and Fund Regulations

Investors may obtain a copy of the Offering Circular, General Regulations and Special Regulations free of charge from the Management Company or from those institutions responsible for collecting applications for subscriptions.

### 30.2. Publication of periodical information

Investors may obtain a copy of the annual and half-yearly reports referred to in Article 29 hereof free of charge from the Management Company or the Custodian immediately after their publication.

### 30.3. Method of publication

The documents referred to above shall be sent to investors by mail. They shall also be sent to the *Commission des Opérations de Bourse* and the Rating Agencies concerned.

### 30.4. Additional information

The Management Company shall publish on its Internet site <http://titrisation.creditlyonnais.fr>, or on any other medium it deems more appropriate (the details of which shall then be provided on said Internet site), all information relating to the loans and management of the Fund which the Management Company deems necessary to provide the Unit holders with comprehensive and accurate information. Any additional information shall be published by the Management Company as often as it deems appropriate according to the circumstances affecting the Fund.



## **PART XI – AMENDMENTS**

### **Article 31 – Rules relating to amendments**

These Special Regulations may be amended by mutual agreement of the Management Company and the Custodian in accordance with the provisions of Article 31 of the General Regulations.

More specifically, the Management Company and the Custodian may amend the Special Regulations in accordance with the aforesaid Article, for the purposes of:

- supporting the Credit Ratings in force, in conjunction with the Rating Agencies;
- incorporating any amendments which might be required by the *Commission des Opérations de Bourse* as part of the procedures preceding the admission of the Units to the Paris Stock Exchange;
- optimising the accounting and prudential treatment of the securitisation transaction for the Originator, providing this does not prejudice the Unit holders.

Any amendment to the characteristics described in the Fund Regulations and/or where applicable in the Offering Circular shall be published by means of a press release approved in advance by the *Commission des Opérations de Bourse*. Such press releases shall be appended to the Offering Circular.

More generally, any event likely to have an effect on the units shall be published by means of a press release approved in advance by the *Commission des Opérations de Bourse*.

All press releases referred to in this Article shall be appended to the next annual or half-yearly report.

## **PART XII – CHOICE OF JURISDICTION**

### **Article 32 – Disputes**

All disputes arising in connection with these Special Regulations shall be referred to the jurisdiction of the courts belonging to the Paris Appeal Court (*Cour d'appel*) in France.

Signed and delivered in Paris, on 27 November 2000

## **APPENDIX 1**

### **DEFINITIONS RELATING TO THE SPECIAL REGULATIONS**

#### **A Coupon Rate:**

means, for a given Interest Period, a rate equal to:

- the 3-month Euribor rate prevailing two (2) Business Days prior to the first day of that Interest Period;
- plus a margin equal to:
  - . 0.30% per annum during the New Loans Acquisition Period, Amended Redemption Period or Compulsory Redemption Period;
  - . 0.60% per annum during the Normal Redemption Period.

#### **Act:**

means act no. 88-1201 of 23 December 1988.

#### **Additional Assignment:**

means, with respect to a Credit Facility and on a given Assignment Date, the process whereby the Originator assigns to the Fund for allocation to the Compartment, Loans resulting from Utilisations made by the Borrower in respect of that Credit Facility, where, prior to such assignment and taking account of assignments already made to the Fund for allocation to the Compartment, the Compartment already holds a part of the Outstandings and rights over the Borrower in respect of that Credit Facility.

#### **Additional Necessary New Loans Acquisition:**

means, on a given Assignment Date, the Principal Amount Outstanding in respect of the Loans to be acquired, if any, under First Assignments on that date, which is equal to the positive difference if any between:

- the Minimum Principal Amount Outstanding in respect of Live Loans on that date, and
- the Principal Amount Outstanding, on the first Business Day following the latest Monthly Instalment Date, in respect of the Live Loans held by the Compartment on the Assignment Date concerned, after taking account of any Additional Assignments which took place on that date.

#### **Additional Necessary Principal:**

means, for a given Reference Month, the maximum between (k) zero and (kk), which is an amount equal to:

- the positive difference between (i) the Principal Amount Outstanding recorded on the first Business Day of that Reference Month in respect of the Live Loans held by the Compartment at the conclusion of the Remittance Date situated in that Reference Month and (ii) the Principal Amount Outstanding recorded on the first Business Day of the following Reference Month in respect of the Live Loans held by the Compartment on the following Remittance Date, prior to any New Loans Acquisition made on that date;

- Plus the amount of Commissions due and payable on the Remittance Date following that Reference Month;
- Plus the amount of Insurance Premiums due in respect of Live Loans during that Reference Month;
- Plus the Available Income in respect of that Reference Month;
- Less the Gross Sums Collected in respect of that Reference Month.

**Amended Redemption:**

means the amended redemption procedure applicable to the A and B Units, which is triggered by one of the events referred to in Article 17.2. of the Special Regulations.

**Amended Redemption Period:**

means, in the event of Amended Redemption, the period between the first Remittance Date on which the Management Company declares the occurrence of an event of Amended Redemption inclusive, and the Final Unit Redemption Date.

**Amount Called:**

means, on a given Monthly Instalment Date, the amount equal to the entire sums which the Servicer expects to receive on that date in principle, interest and Insurance Premiums, in respect of all the Loans it manages on behalf of the Compartment.

**Arrears:**

means, at a given Remittance Date, for any of the Compartment's liabilities where applicable, the amount recorded on that date pursuant to the provisions of Article 21 of the Special Regulations equal to the positive difference, if any, between the sums due by the Compartment on that date in respect of the liability concerned and the sums actually paid by the Compartment in respect thereof. According to the liability in question, reference is made to:

- Commission Arrears, for any unpaid Commissions;
- (A or B) Coupon Arrears, for any unpaid interest due in respect of the (A or B) Units;
- Priority Swap Arrears, for any unpaid sums due by the Compartment in respect of the Priority Swap Transaction;
- Subordinated Swap Arrears, for any unpaid sums due by the Compartment in respect of the Subordinated Swap Transaction.

**Assignment Date:**

means each Remittance Date during the life of the Compartment, being the date on which the Fund acquires new Loans from the Originator under the terms and conditions set forth in Article 18 of the Special Regulations, with a view to their allocation to the Compartment. In respect of a Loan, the Assignment Date means the date on which that Loan is acquired by the Fund and allocated to the Compartment.

**Available Income:**

means, for a given Reference Month, the higher of (i) zero and (ii) an amount equal to:

- the Gross Sums Collected in respect of that Reference Month;
- less the amount of Commissions due and payable on the Remittance Date following that Reference Month;
- less the amount of Insurance Premiums due in respect of Live Loans during that Reference Month;
- less the positive difference between (i) the Principal Amount Outstanding, on the first Business Day of that Reference Month, in respect of the Live Loans held by the Compartment at the conclusion of the Remittance Date falling in that Reference Month and (ii) the Principal Amount Outstanding, on the first Business Day of the next Reference Month, in respect of the Live Loans held by the Compartment on the next Remittance Date, prior to any New Loans Acquisition made on that date.

**Available Principal:**

means, during the Normal Redemption Period or the Amended Redemption Period and for a given Reference Month, the higher of (i) zero and (ii) an amount equal to:

- the Gross Sums Collected in respect of that Reference Month;
- less Commissions due and payable on the Remittance Date following that Reference Month;
- less the Insurance Premiums due in respect of Live Loans during the previous Reference Month;
- less the Available Income in respect of that Reference Month.

**Average Commission Rate:**

means, for a given period, the rate equal to the ratio between:

- the product of (i) the amount of Commissions payable by the Compartment in respect of that period and (ii) the exact number of days in that period, and
- the product of (i) the Principal Amount Outstanding in respect of the Live Loans at the beginning of the period concerned and (ii) 360.

**Average Investor Margin:**

means, for a given Interest Period, the average of the margins payable in respect of the A and B Units over and above the 3-month Euribor rate for that period (see definitions of A Coupon Rate and B Coupon Rate), each margin being weighted by the principal amount outstanding on the A or B Units as appropriate, at the beginning of the said Interest Period.

**B Coupon Rate:**

means, for a given Interest Period, a rate equal to:

- the 3-month Euribor rate prevailing two (2) Business Days prior to the first day of that Interest Period;
- plus a margin equal to:
  - . 1.2% per annum during the New Loans Acquisition Period, Amended Redemption Period or Compulsory Redemption Period;
  - . 2.4% per annum during the Normal Redemption Period.

**Borrower:**

means the Borrower or joint and several Borrowers of one or more Loans, together with any joint and several obligors.

**Business Day:**

means a day between Monday and Friday on which payments in French francs are executed in the Paris Interbank Market.

**Calculation Date:**

means, for a given Reference Month, the later of the following two dates:

- the date situated six (6) Business Days after the Closing Date of that Reference Month;
- the date situated five (5) Business Days after effective receipt by the Management Company from the Servicer of the information drawn up as of the Closing Date of that Reference Month.

The Calculation Date is the latest date on which the Management Company completes the calculations relating to the previous Reference Month (and, where applicable, Reference Quarter), pursuant to the provisions of the Special Regulations.

**Cash Advances:**

means the payments made, if any, by the Originator to the Compartment pursuant to the provisions of Articles 21 and 25.2 of the Special Regulations.

**Cash Advances Outstanding:**

means, on a given date, the cumulative amount of any Cash Advances made by the Originator between the Compartment Inception Date and the date concerned, less the cumulative amount of Cash Advances repaid made by the Compartment during that period. Cash Advances Outstanding may not exceed the Liquidity Ceiling.

**Cash Receipt Adjustment**

means, for a given Reference Month, the difference between:

- (i) the Gross Sums Collected during that Reference Month;
- (ii) the aggregate sum of the Amounts Called on the Monthly Instalment Dates during that Reference Month.

**Class:**

means a series of Units issued to represent the assets allocated to the Compartment, giving all the holder(s) identical rights over those assets, subject to the proviso below with respect to the C Units. The Compartment shall issue four Classes of Unit, A Units, B Units, C Units and the R Units, which give rise to different rights over the principal, interest and, more generally, the Compartment's assets represented by those Classes of Unit. Each of the C Units shall constitute a distinct sub-class, giving the holder identical

rights to the other C Units in respect of interest payments made in a given Interest Period, but redeemable separately from the other C Units pursuant to the provisions of Articles 12.4., 17.1. and 21.

**Closing Date:**

means the penultimate Friday in a given calendar month during the life of the Fund, except where such date falls before the 17<sup>th</sup> day of the calendar month in question, in which case the Closing Date shall be the final Friday in that calendar month.

By way of exception:

- the Servicer may change the Closing Date in a given calendar month for technical reasons, providing the Management Company is informed thereof sufficiently in advance to prevent any disruption to the Compartment's management;
- the Servicer may at its discretion, change the Closing Date which falls immediately prior to the conversion of FRF into EUR to the day closest to that conversion date.

The first Closing Date is 22 December 2000.

**Commissions:**

means the expenses and fees payable by the Compartment referred to in Article 22 of the Special Regulations and Appendix 4 thereto.

**Compartment:**

means the FL1 compartment of the Fund.

**Compartment Inception Date:**

means 28 November 2000, which coincides with the first Assignment Date.

**Compulsory Redemption:**

means the Compulsory Redemption procedure applicable to the A and B Units, which is triggered by one of the events referred to in Article 17.3. of the Special Regulations.

**Compulsory Redemption Period:**

means, in an event of Compulsory Redemption, the period between the first Remittance Date inclusive on which the Management Company declares the occurrence of an event of Compulsory Redemption and the Final Unit Redemption Date.

**Counterparty:**

means Crédit Lyonnais acting through its New York branch under the *Credit Lyonnais Derivatives Program*, which is subject to the AFB Master Agreement.

**Coupon:**

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means, for one or more Classes of Unit and on a given Payment Date, the amount of interest payable on that date in respect of that Class of Unit, pursuant to the provisions of the Special Regulations. According to the Class of Unit concerned, reference is made to the A Coupon, B Coupon, C Coupon or R Coupon.

**Credit Facility:**

means a revolving credit facility granted by the Originator which meets the characteristics referred to in Article 9.1 of the Special Regulations.

**Credit Rating:**

means, at any given moment and for a given class of A or B Unit, the rating assigned to that class of Unit by a Rating Agency.

**Custodian:**

means Cofidis, in its capacity as credit institution acting as Custodian for the assets of the Fund in general and the Compartment in particular.

**Decree:**

means decree no. 89-158 of 9 March 1989.

**Final Income:**

means, for a given Reference Month and only if the A, B and R Units have not been fully redeemed on the Final Unit Redemption Date, an amount equal to the Recoveries and Rectifications received by the Servicer on behalf of the Compartment during that Reference Month in respect of Loans which were Loans in Arrears or Loans in Default on the Final Unit Redemption Date.

**Final Unit Redemption Date:**

means 28 October 2008. The Final Unit Redemption Date is the final date envisaged for full redemption of the A and B Units. Should the A and/or B Units not be fully redeemed on that date, the rights of the Unit holders shall not be extinguished and the Compartment shall continue to exist in accordance with the provisions of the Special Regulations, until completion of the Compartment's liquidation by the Management Company in accordance with Articles 21.7 and 26 of the Special Regulations.

**Financial Income:**

means, on a given Remittance Date, all financial income (dividends, interest, capital gains, interest rate spreads) generated since the previous Remittance Date from the investment of the Compartment's cash surpluses by the Management Company.

**First Assignment:**

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means, with respect to a Credit Facility and on a given Assignment Date, the process whereby the Originator assigns to the Fund for allocation to the Compartment, Loans resulting from Utilisations made by the Borrower in respect of that Credit Facility, where, prior to such assignment the Originator held the entire Outstandings and rights over the Borrower in respect of that Credit Facility.

**Fixed Priority Swap Rate:**

means, for a given reference period in respect of the Priority Swap Transaction, the fixed rate used to calculate the interest payable by the Compartment under the fixed leg of the Priority Swap Transaction.

**Fixed Subordinated Swap Rate:**

means, for a given reference period in respect of the Subordinated Swap Transaction, the fixed rate used to calculate the interest payable by the Compartment under the fixed leg of the Subordinated Swap Transaction.

**Fixed Swap Rate:**

means, for a given reference period in respect of the Priority and Subordinated Swap Transactions, the average fixed rate of the two Transactions weighted by their respective amounts outstanding.

**FRF:**

means the notes and coin which are legal tender in France, or their legal equivalent in any currency which might replace them in the future, and notably the euro.

**Full Early Redemption:**

means the procedure whereby the A and B Units are redeemed in full on one single occasion on the Payment Date situated on 28 October 2005, which is triggered by one of the events referred to in Article 19.3 of the Special Regulations.

**Fund:**

means the Libravou debt mutual fund, of which the Compartment is one of the compartments.

**Fund Regulations:**

means the Fund's regulations, prepared by the Management Company and Custodian in accordance with the Act and, more specifically, Article 40 V thereof. The General Regulations and the Special Regulations form an integral part of the Fund Regulations.

**General Account:**



means the Compartment's account to which the Amounts Called are credited on each Monthly Instalment Date. The terms and conditions governing credit and debit movements on the General Account on each Remittance Date are set forth in Article 21 of the Special Regulations.

**General Prospectus:**

means the prospectus including the General Regulations, which will be registered with the *Commission des Opérations de Bourse* prior to admission of the A and B Units to the Paris Bourse.

**General Regulations:**

means the terms and conditions of the Fund Regulations applicable generally to all compartments of the Fund. The General Regulations form an integral part of the Fund Regulations.

**Gross Sums Collected:**

means, for a given Reference Month, the amount equal to:

- the total sums collected by the Servicer in respect of all Loans during the Reference Month concerned, inclusive of Insurance Premiums;
- less any sums previously paid to the Management Company by the Servicer in respect of monthly payments and other amounts deemed to have been received during the previous Reference Month but which the Servicer realises during the Reference Month have not been paid or have been refused by the paying bank of the Borrower concerned;
- plus the amount of Insurance Premiums collected by the Servicer during the Reference Month concerned, the amount of which has been deducted from the sums paid to the Compartment on a previous Remittance Date;
- plus any other amounts due to the Compartment by the Servicer;
- less any other amounts due to the Servicer by the Compartment.

**Insurance Policy:**

means, for a given Loan and where applicable, the insurance policy covering the Borrower's death, disability and loss of employment taken out by the Borrower through the intermediary of the Originator.

**Insurance Premium:**

means, for a Loan benefiting from an Insurance Policy which has not been cancelled, the amount due monthly by the Borrower in respect of that Insurance Policy.

**Interest Period:**

means, for a given Payment Date, the period between the previous Payment Date (or if it the first Payment Date, the Compartment Inception Date) inclusive, and the Payment Date concerned, not inclusive.

**Investor's Available Income:**

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means, for a given Reference Month, an amount equal to the product of the Investor's Income Ratio applicable to that Reference Month and the Available Income in respect of that Reference Month.

**Investor's Available Principal:**

means, where applicable, during the Amended Redemption Period and for a given Reference Month, an amount equal to the product of the Investor's Principal Ratio applicable to the Amended Redemption Period and the Available Principal in respect of that Reference Month.

**Investor's Cash Advances:**

means the payments made, if any, by the Originator to the Compartment pursuant to the provisions of Articles 18, 21 and 25.2.

**Investor's Cash Advances Outstanding:**

means, on a given date, the cumulative amount of any Investor's Cash Advances made by the Originator between the Compartment Inception Date and the date concerned, less the cumulative amount of Investor's Cash Advances repaid by the Compartment during that period. Investor's Cash Advances Outstanding may not exceed the Investor's Liquidity Ceiling.

**Investor's Final Income:**

means, for a given Reference Month and only if the A, B and R Units have not been fully redeemed on the Final Unit Redemption Date, an amount equal to the product of the Investor's Final Ratio applicable to that Reference Month and the Final Income in respect of that Reference Month.

**Investor's Final Ratio:**

means, for the period after the Final Unit Redemption Date and only if the A, B and R Units have not been fully redeemed on that date, the ratio between:

- (i) the cumulative principal amount outstanding in respect of the A, B and R Units at the conclusion of the Final Unit Redemption Date, after taking account of any Unit redemptions already made on that date, and
- (ii) the Principal Amount Outstanding, on the first Business Day following the Monthly Instalment Date preceding the Final Unit Redemption Date, in respect of the Live Loans held by the Compartment on the Final Unit Redemption Date.

**Investor's Income Ratio:**

means, for the three Reference Months relating to a given Quarterly Remittance Date, the difference between (i) one and (ii) the Originator's Income Ratio.

**Investor's Interest Account:**

means the Compartment's account to which is credited on each Remittance Date the amount of Investor's Available Income in respect of the Reference Month relating to that Remittance Date. The terms and conditions governing credit and debit movements on the Investor's Interest Account on each Remittance Date are set forth in Article 21 of the Special Regulations.

**Investor's Liquidity Ceiling:**

means, on a given Remittance Date, the maximum amount of Investor's Cash Advances Outstanding, being equal to the following:

- if the Remittance Date falls within the New Loans Acquisition Period or Normal Redemption Period, the product of:
  - (i) the Investor's Income Ratio applicable to the Reference Month concerned; and
  - (ii) the Liquidity Ceiling less the Cash Advances Outstanding on that Remittance Date;
- if the Remittance Date falls within any other period, the Liquidity Ceiling less any Cash Advances Outstanding on that date.

**Investor's Principal Account:**

means the Compartment's account to which is credited on each Remittance Date during the Amended Redemption Period, the amount of the Investor's Available Principal in respect of the Reference Month relating to that Remittance Date. The terms and conditions governing credit and debit movements on the Investor's Principal Account on each Remittance Date are set forth in Article 21 of the Special Regulations.

**Investor's Principal Ratio:**

means, during the Normal or Amended Redemption Period, the difference between (i) one and (ii) the Originator's Principal Ratio.

**Issue Circular:**

means the circular including the Special Regulations applicable to the Compartment, which is made up of:

- the Special Prospectus applicable to the Compartment, which will be duly registered with the *Commission des Opérations de Bourse* prior to admission of the A and B Units to the Paris Bourse;
- the Transaction Circular relating to the admission of the A and B Units to the Paris Bourse after their issue in one single transaction.

**Liquidity Ceiling:**

means, on a given Remittance Date, the maximum amount of Cash Advances Outstanding, that is the smaller of the two following amounts:

- (i) the unpaid amount in respect of Live Loans;
- (ii) the credit balance on the Reserve Account.

If, on a given Payment Date and notwithstanding the Cash Advances made, Coupon Arrears exist in respect of the A Units, the Liquidity Ceiling shall be reduced to zero with effect from the next Payment Date.

**Live Loan:**

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means a Loan which is not a Loan in Default and has not been fully repaid or declared a Write-Off.

**Loan:**

means one of the loans acquired by the Fund from the Originator and allocated to the Compartment in accordance with the Loan Assignment and Management Agreement.

**Loan Assignment and Management Agreement:**

means the agreement entered into by the Management Company and the Originator/Servicer in the presence of the Custodian, which governs the terms and conditions on which the Fund shall acquire Loans from the Originator with a view to their allocation to the Compartment, and the terms and conditions on which the Servicer shall manage and collect the Loans.

**Loan in Arrears:**

means a Loan in respect of which the Borrower has not settled all sums due and payable in accordance with the terms of the corresponding Credit Facility, but which is not yet a Loan in Default.

**Loan in Default:**

means a Loan:

- for which responsibility for collection has been transferred to the Servicer's recovery department, and/or
- which is in arrears by at least 8 monthly instalments, it being stipulated that any unpaid monthly instalments which the Servicer has agreed to reschedule in its capacity as management and collection agent shall not be included in the number of monthly instalments in arrears.

**Loan Pool:**

means, at any given time, the portfolio of Credit Facilities held by the Originator which meet the characteristics referred to in Article 9 of the Special Regulations.

**Management Company:**

means ABC Gestion, in its capacity as the institution responsible for managing the Compartment.

**Maximum Principal Amount Outstanding in respect of Live Loans:**

means an amount equal to 115% of the nominal value of the A, B and R Units on the Compartment Inception Date.

**Maximum Reserve:**

means the maximum credit balance on the Reserve Account in accordance with the provisions of Article 25.3. of the Special Regulations, which shall in any event be less than or equal to EUR 5,113,680.

**Minimum Principal Amount Outstanding in respect of Live Loans:**

means an amount equal to 107% of the nominal value of the A, B and R Units on the Compartment Inception Date.

**Minimum Repayment Rate:**

means the ratio between (i) the minimum monthly payment due by a Borrower in respect of the Credit Facility and (ii) the authorised credit limit applicable to that Borrower in respect of that Credit Facility.

**Monthly Instalment Date:**

means, within a calendar month, the day on which the monthly instalment payable by the Borrowers in respect of their Credit Facility falls due, it being stipulated that:

- notwithstanding the fact that the Monthly Instalment Date is defined as being the same for all Credit Facilities, the effective due date for the monthly instalment payable by a given Borrower in respect of the Credit Facility concerned may be amended by mutual agreement between the Originator and the Borrower, in which case the timing difference will be taken into account for the purposes of computing the interest due;
- as of the Compartment Inception Date, the Monthly Instalment Date is the fifth of each month, but may be amended by the Originator during the life of the Compartment, providing it is amended and remains the same for all Credit Facilities alike.

**Monthly Net Margin:**

means, for a given Reference Month, an amount equal to:

- the contractual Weighted Average Interest Rate applicable to the Live Loans as of the beginning of that Reference Month;
- less the Average Commission Rate payable by the Compartment in respect of that Reference Month;
- less the Net Default Rate in respect of that Reference Month;
- less the Fixed Swap Rate applicable to the current period;
- less the Average Investor Margin applicable to the current period.

**Net Default Rate:**

means, for a given period, the rate equal to the ratio between:

- the product of (i) the Principal Amount Outstanding in respect of Loans which have become Loans in Default during the period concerned, less any Recoveries made during that period, and (ii) 360; and
- the product of (i) the Principal Amount Outstanding in respect of Live Loans held by the Compartment at the beginning of that period and (ii) the exact number of days in that period.

**Net Margin:**

means, for three given consecutive Reference Months, the amount equal to the arithmetic mean of the Monthly Net Margin for each of those three Reference Months.

**New Loans Acquisition:**

means the First Assignment or Additional Assignment of Loans to the Fund with a view to their allocation to the Compartment, after the Compartment Inception Date pursuant to the provisions of Article 18 of the Special Regulations.

**New Loans Acquisition Period:**

means, in the absence of an event of Amended or Compulsory Redemption, the period between the Compartment Inception Date and the 59<sup>th</sup> Remittance Date inclusive. In the event of Amended or Compulsory Redemption, it means the period between the Compartment Inception Date and the Remittance Date on which the Compartment entered the Amended or Compulsory Redemption Period not inclusive.

**Normal Redemption:**

means the normal redemption procedure applicable to the A and B Units in accordance with the Redemption Schedules contained in Appendix 2 and 3 of the Special Regulations.

**Normal Redemption Period:**

means, in the absence of Amended Redemption or Full Early Redemption, the period between:

- the 60<sup>th</sup> Remittance Date inclusive and the Final Unit Redemption Date, or
- if an event of Amended Redemption occurs during the Normal Redemption Period, the 60<sup>th</sup> Remittance Date inclusive and the Remittance Date on which the Management Company declares the occurrence of an event of Amended Redemption not inclusive.

During the Normal Redemption Period, the Fund may make New Loans Acquisitions on behalf of the Compartment and accumulate the rest of the cash flows generated by the Loans in order to redeem the A and B Units in accordance with the applicable Redemption Schedule.

**Offering Circular:**

means the circular which will be approved by the *Commission des Opérations de Bourse* prior to admission of the A and B Units to the Paris Bourse. With respect to the Compartment, the Offering Circular comprises:

- the General Prospectus;
- the Issue Circular.

**Originator:**

means Compagnie Financière pour la Distribution – Cofidis, in its capacity as the institution assigning the Loans to the Fund for allocation to the Compartment.

**Originator's Available Income:**

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means, for a given Reference Month, an amount equal to the product of the Originator's Income Ratio applicable to that Reference Month and the Available Income in respect of that Reference Month.

**Originator's Cash Advances:**

means the payments made, if any, by the Originator to the Compartment pursuant to the provisions of Articles 18, 21 and 25.2.

**Originator's Cash Advances Outstanding:**

means, on a given date, the cumulative amount of any Originator's Cash Advances made by the Originator between the Compartment Inception Date and the date concerned, less the cumulative amount of Originator's Cash Advances repaid by the Compartment during that period. Originator's Cash Advances Outstanding may not exceed the Originator's Liquidity Ceiling.

**Originator's Interest Account:**

means the Compartment's account to which is credited on each Remittance Date the amount of Originator's Available Income in respect of the Reference Month relating to that Remittance Date. The terms and conditions governing credit and debit movements on the Originator's Interest Account on each Remittance Date are set forth in Article 21 of the Special Regulations.

**Originator's Income Ratio:**

means, for a given Reference Month, the ratio between (a) the principal amount outstanding on the C Units at the conclusion of the Remittance Date situated in that Reference Month and (b) the Principal Amount Outstanding on the first calendar day of that Reference Month in respect of the Live Loans held by the Compartment at the conclusion of that same Remittance Date.

**Originator's Liquidity Ceiling:**

means, on a given Remittance Date, the maximum amount of Originator's Cash Advances Outstanding, being equal to the following:

- if the Remittance Date falls within the New Loans Acquisition Period or Normal Redemption Period, the product of:
  - (i) the Originator's Income Ratio applicable to the Reference Month concerned; and
  - (ii) the Liquidity Ceiling less the Cash Advances Outstanding on that Remittance Date;
- if the Remittance Date falls within any other period, zero.

**Originator's Principal Ratio:**

means, during the Normal or Amended Redemption Period, the lower of the following:

- (i) the ratio, calculated on a once and for all basis, between (a) the principal amount outstanding in respect of the C Units on the final Remittance Date in the New Loans Acquisition Period and (b) the

- Principal Amount Outstanding, on the first calendar day of the corresponding Reference Month, in respect of the Live Loans held by the Compartment at the conclusion of the said Remittance Date;
- (ii) the ratio, calculated on a once and for all basis, between (a) the Minimum Principal Amount Outstanding in respect of Live Loans less the nominal value of the A, B and R Units on the Compartment Inception Date and (b) the Minimum Principal Amount Outstanding in respect of Live Loans, that is 6.54%.

**Outstandings:**

Means, with respect to a Credit Facility and on a given Closing Date, the principal amount outstanding by the Borrower with respect to that Credit Facility on the said Closing Date.

**Paying Agent:**

means the institution responsible for servicing the Units. Initially the Paying Agent shall be Euro Emetteurs Finance.

**Payment Date:**

means 28 January, 28 April, 28 July and 28 October or, if any of those days is not a Business Day, then the next Business Day thereafter if it falls in the same month, and if not the immediately preceding Business Day (the so-called "modified following" rule). The first Payment Date is 30 April 2001.

**Principal Amount Outstanding:**

means, with respect to one or more Loans on a given date, the principal actually remaining outstanding on the Loan or Loans at that date, including any principal amounts due and not yet paid.

**Priority Swap Transaction:**

means the interest rate swap transaction described in Article 25.5. hereof, which ranks prior to payment of the A Coupon under the terms and conditions set forth in Article 21 hereof.

**Quarterly Remittance Date:**

means, for a given Reference Quarter, the Remittance Date which follows the Closing Date situated in the calendar month preceding the calendar month of a Payment Date. The first Quarterly Remittance Date is 2 April 2001.

**Reference Quarter:**

means a period between:

- a Closing Date situated in the calendar month preceding the calendar month of a Payment Date, exclusive; and
- the Closing Date situated in the calendar month preceding the calendar month of the following Payment Date.



By way of exception, the first Reference Quarter is the period between 24 November 2000 and the Closing Date situated in March 2001.

**Rating Agencies:**

means Moody's France and Fitch France, in their capacity as the institutions responsible for rating the A and B Units, in accordance with the Act.

**Recoveries:**

means, for a given Reference Month, all and any sums received during that Reference Month in respect of Loans in Default held by the Compartment.

**Rectifications:**

means, for a given Reference Month, the positive difference if any between (i) all and any sums received during that Reference Month in respect of Loans in Arrears held by the Compartment and (ii) the sums falling due in respect of those Loans in Arrears during that Reference Month.

**Redemption Schedule:**

means, for A Units or B Units, the redemption schedule for those Units, contained in Appendix 2 or 3 of the Special Regulations according to the Class of Unit.

**Reference Month:**

means a period between a Closing Date not inclusive and the following Closing Date inclusive. By way of exception, the first Reference Month is the period between 24 November and the first Closing Date. For a given Remittance Date, the Reference Month is the period, as defined above, preceding that Remittance Date.

**Remittance Date:**

means, for a given Reference month, the date situated one Business Day after the Calculation Date of that Reference Month.

**Reserve:**

means the sums credited to the Reserve Account, within the limits of the Maximum Reserve, pursuant to the provisions of Article 21 of the Special Regulations. The Reserve is designed to increase the protection afforded to the Unit holders against the risk of Borrower default.

**Reserve Account:**

means the Compartment's account which will hold the sums constituting the Reserve, within the limits of the Maximum Reserve and pursuant to the provisions of Articles 21 and 25.3 of the Special Regulations.

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**Servicer:**

means Compagnie Financière pour la Distribution – Cofidis, in its capacity as institution responsible for the management and collection of the Loans pursuant to the provisions of Article 36, paragraph 1 of the Act, or any institution which might replace it, pursuant to the provisions of paragraph 2 of said Article and the provisions of Article 11 of the Special Regulations.

**Settlement Bank:**

means the credit institution which holds the Compartment's accounts. Initially the Settlement Bank shall be Crédit Lyonnais.

**Special Prospectus:**

means the prospectus which will be registered with the *Commission des Opérations de Bourse* prior to admission of the A and B Units to the Paris Bourse, which, together with the Transaction Circular, will make up the Issue Circular.

**Special Regulations:**

means the terms and conditions of the Fund Regulations applicable specifically to the Compartment. The Special Regulations form an integral part of the Fund Regulations.

**Subordinated Swap Transaction:**

means the interest rate swap transaction described in Article 25.5. hereof, which ranks prior to payment of the B Coupon under the terms and conditions set forth in Article 21 hereof.

**Swap Transaction:**

means the Priority Swap Transaction and the Subordinated Swap Transactions.

**Transaction Circular:**

means the circular which, together with the Special Prospectus, will make up the Issue Circular.

**Transfer Date:**

means the Business Day immediately preceding a Payment Date.

**Unit:**

means a unit issued in representation of assets allocated to the Compartment. Four separate Classes of Unit are issued, A Units, B Units, C Units and R Units, each of which is described in Articles 12 and 13 of the Special Regulations.

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**Unit Redemption Date:**

means a Payment Date on which a principal payment is due in respect of the A Units and/or B Units in accordance with the Redemption Schedules contained in Appendix 2 and 3 of the Special Regulations.

**Utilisation:**

means, for a given Credit Facility, a drawdown or other utilisation of the Credit Facility by the Borrower concerned, excluding:

- Outstandings on the Credit Facility made available to the Borrower concerned prior to the said drawdown or utilisation;
- interest, Insurance Premiums and any compensation due monthly by the Borrower in respect of Outstandings on the Credit Facility.

**Weighted Average Interest Rate:**

means, for a batch of Live Loans and on a given Closing Date, the average of the interest rates excluding insurance contractually applicable to each Loan on that Date weighted by the Principal Amount Outstanding in respect of the Loan concerned.

**Write-Off:**

means, in respect of a Loan in Default, the process whereby the Servicer considers, in accordance with its usual management principles, that the cost of legal proceedings to recover such a Loan would be greater than the amount which is likely to be recovered and that it is therefore inappropriate to pursue procedures against the Borrower.

## APPENDIX 2

### A UNIT REDEMPTION SCHEDULE

<i>A Coupon Payment Dates</i>	<i>Redemption of A Units</i>	<i>Nominal value of A Units after payment of the A Coupon</i>
28/11/00 (i)		150,000,000
30/04/01 (ii)	0	150,000,000
30/07/01	0	150,000,000
29/10/01	0	150,000,000
28/01/02	0	150,000,000
29/04/02	0	150,000,000
29/07/02	0	150,000,000
28/10/02	0	150,000,000
28/01/03	0	150,000,000
28/04/03	0	150,000,000
28/07/03	0	150,000,000
28/10/03	0	150,000,000
28/01/04	0	150,000,000
28/04/04	0	150,000,000
28/07/04	0	150,000,000
28/10/04	0	150,000,000
28/01/05	0	150,000,000
28/04/05	0	150,000,000
28/07/05	0	150,000,000
28/10/05 (iii)	0	150,000,000
30/01/06 (iv)	18,750,000	131,250,000
28/04/06	18,750,000	112,500,000
28/07/06	18,750,000	93,750,000
30/10/06	18,750,000	75,000,000
29/01/07	18,750,000	56,250,000
30/04/07	18,750,000	37,500,000
30/07/07	18,750,000	18,750,000
29/10/07 (v)	18,750,000	0

- (i) Compartment Inception Date and A Unit Issue Date.
- (ii) Payment Date of the first Coupon during the New Loans Acquisition Period.
- (iii) Payment Date of the final Coupon during the New Loans Acquisition Period, providing the Compartment has not entered an Amended or Compulsory Redemption Period in the meantime. It is also the date on which the Originator may exercise its Full Early Redemption option.
- (iv) Date of the first Coupon during the Normal Redemption Period, providing the Originator has not opted for Full Early Redemption on the date referred to in (iii) above.
- (v) Scheduled end of the Normal Redemption Period, providing the Compartment has not entered an Amended or Compulsory Redemption Period in the meantime and providing all redemption payments scheduled as of that date and on previous dates have effectively been made.

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### **APPENDIX 3**

#### **B UNIT REDEMPTION SCHEDULE**

<i>B Coupon Payment Dates</i>	<i>Redemption of B Units</i>	<i>Nominal value of B Units after payment of the B Coupon</i>
28/11/00 (i)		20,446,000
30/04/01 (ii)	0	20,446,000
30/07/01	0	20,446,000
29/10/01	0	20,446,000
28/01/02	0	20,446,000
29/04/02	0	20,446,000
29/07/02	0	20,446,000
28/10/02	0	20,446,000
28/01/03	0	20,446,000
28/04/03	0	20,446,000
28/07/03	0	20,446,000
28/10/03	0	20,446,000
28/01/04	0	20,446,000
28/04/04	0	20,446,000
28/07/04	0	20,446,000
28/10/04	0	20,446,000
28/01/05	0	20,446,000
28/04/05	0	20,446,000
28/07/05	0	20,446,000
28/10/05 (iii)	0	20,446,000
30/01/06 (iv)	0	20,446,000
28/04/06	0	20,446,000
28/07/06	0	20,446,000
30/10/06	0	20,446,000
29/01/07	0	20,446,000
30/04/07	0	20,446,000
30/07/07	0	20,446,000
29/10/07 (v)	20,446,000	0

- (i) Compartment Inception Date and B Unit Issue Date.
- (vi) Payment Date of the first Coupon during the New Loans Acquisition Period.
- (vii) Payment Date of the final Coupon during the New Loans Acquisition Period, providing the Compartment has not entered an Amended or Compulsory Redemption Period in the meantime. It is also the date on which the Originator may exercise its Full Early Redemption option.
- (viii) Date of the first Coupon during the Normal Redemption Period, providing the Originator has not opted for Full Early Redemption on the date referred to in (iii) above.
- (ii) Scheduled end of the Normal Redemption Period, providing the Compartment has not entered an Amended or Compulsory Redemption Period in the meantime and providing all redemption payments scheduled as of that date and on previous dates have effectively been made.

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## **APPENDIX 4**

### **EXPENSES AND COMMISSION**

The expenses and commission payable by the Compartment are the following:

**(a) Compartment creation costs, Unit issuance and placement costs**

The Originator has undertaken to settle all expenses connected with the Compartment's creation and the issuance and placement of the Units.

**(b) Custodian**

In consideration for its duties with respect to the Compartment, the Custodian shall receive commission equal to 0.02% (inclusive of tax) per annum of the Principal Amount Outstanding in respect of Live Loans.

**(c) Management Company**

In consideration for its duties with respect to the Compartment, the Management Company shall receive commission equal to 0.04% (inclusive of tax) per annum of the Principal Amount Outstanding in respect of Live Loans.

**(d) Servicer**

In consideration for its duties with respect to the Compartment, the Servicer shall receive commission equal to 2% (inclusive of tax) per annum of the Principal Amount Outstanding in respect of Live Loans.

**(e) Settlement Bank**

In consideration for its duties with respect to the Compartment, the Settlement Bank shall receive commission equal to a percentage of the credit balances on deposit accounts held on its books by the Management Company.

**(f) Paying Agent**

In consideration for its duties with respect to the Compartment, the Paying Agent shall receive a flat fee equal to EUR 700 (exclusive of tax) per payment transaction of sums distributed to the A and B Unit holders and per value code, if the Units are bearer units.

In respect of any registered Units, the Paying Agent shall receive a flat fee of FRF 800 (exclusive of tax) per annum per registered Unit holder, together with a flat fee of FRF 75 (exclusive of tax) per payment transaction.