

HFMX DESIGNATED ACTIVITY COMPANY

SERIES MEMORANDUM

**GALIL ETP (SERIES 463) NOTES DUE 2041
ISSUED UNDER ITS HFMX PROGRAMME**

DATED 30 NOVEMBER 2021

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1 GENERAL

This Series Memorandum (as used herein, this “**Series Memorandum**”) is prepared in connection with the EUR 5,000,000,000 Secured Note Programme (the “**HFMX Programme**”) of HFMX Designated Activity Company (the “**Issuer**”) and is issued in conjunction with, and incorporates by reference the contents of, the Programme Memorandum dated 15 August 2018 relating to the HFMX Programme (the “**Programme Memorandum**”).

Neither this Series Memorandum nor the Programme Memorandum constitutes a prospectus for the purposes of Regulation 2017/1129/EU (the “**Prospectus Regulation**”) or the version of the Prospectus Regulation that forms part of domestic law of the United Kingdom of Great Britain and Northern Ireland (“**UK**”) by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”).

The Issuer is not offering the Notes in any jurisdiction in circumstances which would require a prospectus pursuant to the Prospectus Regulation. Nor is any person authorised to make such an offer of the Notes on behalf of the Issuer in any jurisdiction.

This document should be read in conjunction with the Programme Memorandum and the Master Conditions (2018 Edition). Save where the context otherwise requires, terms defined in the Programme Memorandum have the same meaning when used in this Series Memorandum. Recipients of this Series Memorandum who intend to subscribe for or purchase any Notes are reminded that any subscription or purchase may only be made on the basis of the information contained in this Series Memorandum and the Programme Memorandum.

Subject as set out below the Issuer accepts responsibility for the information contained in this Series Memorandum other than the information in sections:

1. Description of the Custody Account that relates to the Custodian;
2. Information relating to the Portfolio Management Agreement;
3. Information relating to the Programme Coordinator, Charged Assets Realisation Agent and Calculation Agent; and
4. Information relating to the Back Office Agent and Broker Dealer of Record.

To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information for which it accepts responsibility contained in this Series Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer confirms that the information in the sections referred to in 1. to 4. above has been accurately reproduced from information provided by (a) the Custodian, (b) the Portfolio Manager, (c) the Programme Coordinator, Charged Assets Realisation Agent and Calculation Agent and (d) the Back Office Agent, respectively, and as far as the Issuer is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Series Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Series Memorandum in any jurisdiction where such action is required.

No person has been authorised to give any information or to make representations other than those contained in this Series Memorandum in connection with the issue or sale of the Notes

and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Programme Coordinator, the Trustee or any of them or any other person. Neither the delivery of this Series Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

The Trustee has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking is made, whether express or implied, and no responsibility or liability is accepted by the Trustee as to the accuracy, completeness or nature of the information contained in this Series Memorandum or with respect to the legality of investment in the Notes by any prospective investor or purchaser under applicable legal investment or similar laws or regulations.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the provisions set out within this Series Memorandum and the Programme Memorandum.

For as long as the Notes remain outstanding, copies of the following documents will be available to Noteholders for inspection in physical form during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer:

1. This Series Memorandum and the Programme Memorandum;
2. The Master Documents;
3. The Constituting Instrument dated the Issue Date; and
4. The Certificate of Incorporation and the Constitution of the Issuer.

The Notes, which are described in this Series Memorandum, have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any of the States of the United States. Accordingly, the Notes are being offered and sold only in bearer form pursuant to the exemption afforded by Regulation S promulgated under the Securities Act solely outside of the United States and solely to non-US persons and in specific reliance upon the representations by each Noteholder that (1) at the time of the offer and sale of the Notes to the Noteholder, the Noteholder was not a US Person as defined in Regulation S promulgated under the Securities Act, and (2) at the time of the offer and sale of the Notes to the Noteholder and, as of the date of the execution and delivery of the purchasing or subscription agreement by the Noteholder, the Noteholder was outside of the United States. The Notes may not be offered or sold in the United States or to US Persons (as defined in Regulation S) unless the securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. The Notes are subject to certain United States tax law requirements.

In relation to each Member State of the European Economic Area (“EEA”) where the Prospectus Regulation applies (each, a “**Relevant Member State**”), or the UK, where the UK Prospectus Regulation applies, an offer of Notes to the public has not and may not be made in that Relevant Member State or in the UK. Without limitation of the foregoing, if Notes are offered in any Relevant Member State or in the UK, any such offer can only be made to investors who acquire Notes for a total consideration of at least €100,000 per investor for each separate offer (or, if the Notes are denominated in a currency other than Euro, the equivalent of €100,000 in such other currency).

IMPORTANT – EEA

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor within the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of:

- a) a "Retail client" as defined in point (11) of Article 4(1) of MiFID II;
- b) (a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- c) not a qualified investor as defined in the Prospectus Regulation.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of:

- a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA;
- b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement

Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

- c) not a qualified investor as defined in the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by the PRIIPS Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation. The Notes are illiquid investments, the purchase of which involves substantial risks. Any investor investing in the Notes should fully consider, understand and appreciate those risks.

Purchasers of Notes should conduct such independent investigation and analysis regarding the Issuer, the Portfolio Manager, the Charged Assets and the Notes as they deem appropriate to evaluate the merits and risks of an investment in the Notes, as the Notes described in this Series Memorandum may not be suitable for all purchasers of Notes. Purchasers of Notes should have sufficient knowledge and experience in financial, taxation, accounting, capital treatment and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Series Memorandum and the merits and risks of investing in the Notes in the context of their financial and regulatory position and circumstances. This Series Memorandum does not describe all of the risks and investment considerations applicable to an investment in the Notes. The risks and investment considerations identified in this Series Memorandum are provided as general information only and the Issuer disclaims any responsibility to advise purchasers of Notes of the risks and investment considerations associated with the purchase of the Notes as they may exist at the date hereof or as they may from time to time alter.

PARTICULAR ATTENTION IS DRAWN TO THE SECTION OF THIS SERIES MEMORANDUM HEADED "RISK FACTORS".

2 DOCUMENTS INCORPORATED BY REFERENCE

The Programme Memorandum is incorporated in, and shall be taken to form part of this Series Memorandum. This Series Memorandum must be read and construed in conjunction with the Programme Memorandum and shall be deemed to modify and supersede the contents of such document to the extent that a statement contained herein is inconsistent with such contents.

Any references to the "Arranger" in the Master Documents, including the Master Definitions, Master Conditions, Master Trust Terms, Master Arrangement Terms, Master Agency Terms, Master Placing Terms, Master Broker Dealer of Record Terms, Master Portfolio Management Terms, and each Series Document, including the Constituting Instrument, the Trust Deed, the Arrangement Agreement, the Agency Agreement, the Placing Agreement, the Broker Dealer of Record Agreement and the Portfolio Management Agreement (including any requirement to appoint an Arranger in respect of the Series, if applicable) shall be construed as references to the Programme Coordinator and all rights, duties and obligations applicable to the Arranger as set out therein shall apply to the Programme Coordinator. Any references to the "Placing Agent" in the Master Documents including the Master Definitions, Master Conditions, Master Trust Terms, Master Arrangement Terms and Master Placing Terms, and each Series Document, including the Constituting Instrument, the Trust Deed, the Arrangement Agreement and the Placing Agreement (including any requirement to appoint a Placing Agent in respect of the Series, if applicable) shall be construed as references to the Back Office Agent and all

rights, duties and obligations applicable to the Placing Agent as set out therein shall apply to the Back Office Agent.

3 RISK FACTORS

3.1 General

The purchase of the Notes involves substantial risks. Each prospective purchaser of the Notes should be familiar with instruments having characteristics similar to the Notes and should fully understand the terms of the Notes and the nature and extent of its exposure to risk of loss.

The Programme Memorandum also contains further paragraphs headed “Risk Factors” and they should be considered by prospective investors in conjunction with the risk factors set out below before making any investment decisions with respect to the Notes.

Before making an investment decision prospective purchasers of the Notes should conduct such independent investigation and analysis regarding the Issuer, the Portfolio Manager, the Charged Assets, the Notes and all other relevant persons and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Notes. As part of such independent investigation and analysis, prospective purchasers of Notes should consider carefully all the information set forth in this Series Memorandum and in the Programme Memorandum and the considerations set out below.

Investment in the Notes is only suitable for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the information contained in this Series Memorandum and in the Programme Memorandum and the merits and risks of an investment in the Notes in the context of the investor’s own financial circumstances and investment objectives.

Investment in the Notes (or a participation therein) is only suitable for investors who:

1. are capable of bearing the economic risk of an investment in the Notes (or a participation therein) for a period up to and until the redemption of the Notes;
2. are acquiring an interest in the Notes (or a participation therein) for their own account for investment, not with a view to resale, distribution or other disposition of such interest (subject to any applicable law requiring that the disposition of the investor’s property be within its control); and
3. recognise that it may not be possible to make any transfer of the Notes (or a participation therein) for a substantial period of time, if at all.

Each of the Issuer and the Programme Coordinator may, in its discretion, disregard interest shown by a prospective investor even though that investor satisfies the foregoing suitability standards.

Each prospective investor should ensure that it fully understands the nature of the transaction into which it is entering and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment. Attention is drawn, in particular, to the Conditions in the Master Conditions (2018 Edition) entitled ‘Security’ and ‘Enforcement and Limited Recourse’ and the sections in this Series Memorandum entitled ‘Information relating to the Portfolio Management Agreement’ and ‘Information relating to the Charged Assets’.

3.2 Risks relating to the Issuer and Transaction Parties

Special purpose company

The Issuer is a special purpose company and has been established for the purpose of issuing multiple series of secured notes under the HFMX Programme. The Issuer has issued share capital only in the amount of EUR 1 (one euro). Should any unforeseen expenses or liabilities (which have not been provided for) arise, the Issuer may be unable to meet them, leading to an Event of Default under the Notes.

There is no certainty that Noteholders will recover any amounts payable under the Notes. Due to the limited recourse nature of the Notes (see 'Limited recourse' below), claims in respect of the Notes are limited to the proceeds of enforcement of the Mortgaged Property subject to the prior security interests of the Custodian and after the deduction of any applicable expenses. In addition, if a claim is brought against the Issuer (whether under statute, common law or otherwise) which is not subject to such contractual limited recourse provisions, the only assets available to meet such claim would be the proceeds of the issuance of the Issuer's ordinary shares and any transaction fees (see 'Fees' below), to the extent any remain as at the date of such claim and are available to meet such claim. The only other assets of the Issuer will be the assets on which each series of secured notes under the HFMX Programme is secured, which will be subject to the prior security interests of the relevant Noteholders, any other secured parties under that series and the prior security interests of the Custodian.

Limited recourse

The Notes will be limited recourse obligations of the Issuer secured on the Charged Assets and are not or will not (as the case may be) be obligations or responsibilities of, or guaranteed by, any other person or entity. **For the avoidance of doubt, none of the Trustee, the Programme Coordinator, the Portfolio Manager, any other Agent appointed by the Issuer or any other person has any obligation to any Noteholder for payment of any amount by the Issuer in respect of the Notes. There is no person that guarantees to Noteholders that they will recover any amounts payable under the Notes.**

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on the receipt by the Issuer of moneys due to it under the Charged Assets. The Noteholders shall have no recourse to the Issuer beyond the moneys derived by or on behalf of the Issuer in respect of the Charged Assets. To the extent that investment by the Issuer in the Charged Assets held by the Issuer results in such investment being less than the obligations of the Issuer under the Notes, the Issuer will have insufficient funds available to meet its obligations in respect of the Notes. In such event, any shortfall would be borne by the Noteholders in accordance with the priorities specified in the Conditions. See 'Nature of the investment' below.

For the avoidance of doubt, Notes are not, and do not represent or convey any interest in the Charged Assets nor do they confer on the Noteholder any right (whether in respect of voting, dividend or other distribution) which a holder of any Charged Assets may have had. The Issuer is not an agent of the Noteholder for any purpose.

Liability for the obligations of other Series

The Issuer has undertaken not to incur any obligations with respect to any other series of notes issued under the HFMX Programme unless recourse in respect of such obligations is limited to the proceeds of enforcement of the Security over the assets of the Issuer on which such obligations are secured (which assets shall exclude the Mortgaged Property securing any other series of notes). Nevertheless, to the extent there are any creditors with respect to

a series of notes whose recourse is not so limited Noteholders may be exposed to risks incurred for the account of other series.

3.3 Risks relating to the Notes

Nature of the investment

These Notes are not principal protected and are a high-risk investment in the form of a debt instrument. The Noteholders are neither assured of repayment of the capital invested nor are they assured of payment of a stated rate of interest or of any interest at all. The Notes give Noteholders exposure to certain securities and other financial assets that the Issuer may invest in acting through the Portfolio Manager, see 'Investment in Securities by the Portfolio Manager' below.

Any payments to be made on the Notes depend on the value of the Charged Assets held by the Issuer, which is the value of the amounts received by the Issuer in respect of the Charged Assets. Should the Charged Assets decrease in value, Noteholders will incur a partial or total loss of their investment. Even if the Charged Assets increase in value, Noteholders may incur a partial or total loss of their investment to the extent that the appreciation of the Charged Assets is not sufficient to account for fees, costs and expenses of the Issuer.

In certain circumstances, described in the Conditions of the Notes, the Notes will be redeemed early pursuant to a Mandatory Redemption Event or an Additional Mandatory Redemption Event or Optional Redemption and Noteholders shall be entitled to receive only such amount as is available following the sale, redemption or other means of realisation of the Charged Assets, subject to the provisions of the Notes described under 'Limited recourse' above.

In general, redemption payments to be made on the Notes are calculated with reference to the value of the Charged Assets. However, if and to the extent that the amount payable by the Issuer in accordance with the Notes to the Noteholders is greater than the amount received by the Issuer in respect of the redemption of the Charged Assets, the Noteholder shall be entitled to receive only its pro rata share of such amount as is received by the Issuer under the Charged Assets after deduction of any applicable costs and expenses.

Change of law, tax and administrative practice

The structure of the transaction and, inter alia, the issue of the Notes are based on law, tax and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given that law, tax or administrative practice will not change after the Issue Date or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

Fees

In addition to the fees due to the Trustee and any Agents, and any other transaction related fees incurred by the Issuer in respect of the issuance of the Notes, the amounts payable under the Notes are based on the performance of the Charged Assets after deduction of certain fees, which is further described in Special Condition 5.8 (Fees) of the Notes. The fees will be applied in calculating the value of the Portfolio and therefore will result in a reduction in the value of the Notes.

In connection with the offer and sale of the Notes, the Programme Coordinator or any of its associated companies may, directly or indirectly, pay fees in varying amounts to third parties or, as the case may be, receive fees (including but not limited to distribution fees, rebates and retrocessions) in varying amounts, including, from third parties (which may include any

Transaction Participants as defined below). Each Noteholder acknowledges that the Programme Coordinator or any of its associated companies may retain all or part of such fees.

Foreign exchange risk

The Notes are denominated in USD. The Charged Assets may be denominated in US dollars, euro, or any other currencies. The Issuer will effect foreign exchange transactions to convert amounts received in respect of the Charged Assets into USD in order to meet its payment obligations under the Notes. In order to mitigate the foreign exchange risk the Portfolio Manager may on behalf of the Issuer enter into foreign exchange hedging transactions with such banks and other providers of treasury products ("**Derivatives Counterparties**") as may in the sole discretion of the Issuer or the Portfolio Manager be appropriate given the Charged Assets and the obligations of the Issuer under the Notes. Accordingly, the Issuer and the Noteholders may be exposed to credit risk of such Derivatives Counterparties providing foreign exchange hedging to the Issuer.

Optional Redemption by the Issuer

Investors in the Notes should be aware that the Issuer has the option at any time to redeem the Notes either in whole or in part, subject to the notice requirements set out in the Conditions. Such notice may only be revoked by the Issuer with the consent of the Trustee in accordance with the Conditions.

In the case of a redemption of the Notes in whole, they shall be redeemed at their Early Redemption Amount and in case of a redemption of the Notes in part, they shall be redeemed by payment of a portion of the principal amount outstanding of each Note as specified in a notice by the Issuer.

Optional Redemption by the Noteholders

Investors in the Notes should be aware that while the Conditions of the Notes permit the Noteholders to submit requests for their Notes to be redeemed at certain times prior to the Maturity Date or Extended Maturity Date, any such redemption shall be subject to there being sufficient liquidity in the Charged Assets as determined by the Calculation Agent to fund such redemption, as further described in Special Condition 5.5.2 (*Optional Redemption by the Noteholder*). Accordingly, the Notes should only be acquired by investors who are willing to hold their Notes until the Maturity Date or Extended Maturity Date, as the case may be.

Restrictions on Transfer

The Notes are subject to restrictions on transfer, as described in the 'Subscription and Sale' section of the Programme Memorandum and 'Selling Restrictions' section of this Series Memorandum. In particular, the Notes have not been registered under the Securities Act, under any US state securities or 'Blue Sky' laws or under the securities laws of any other jurisdiction and are being issued and sold in reliance upon exemptions from registration provided by such laws. No Note may be sold, assigned, participated, pledged or transferred unless such sale, assignment, participation, pledge or transfer (a) is exempt from the registration requirements of the Securities Act (for example, the exemption provided by Rule 144A under the Securities Act or the exemption provided by Regulation S under the Securities Act and applicable state securities laws) and (b) is in compliance with the transfer restrictions and certification requirements described in the "Subscription and Sale" section of the Programme Memorandum and the "Selling Restrictions" section of this Series Memorandum.

Programme Coordinator default

The Notes will be redeemed if the Programme Coordinator is dissolved or becomes unable to perform its obligations in relation to the Notes unless a substitute programme coordinator (the "**Substitute Programme Coordinator**") is appointed by the Issuer within ninety (90) days of such event.

Payments

Payments under the Notes will only be made after receipt of the Sale Proceeds by the Issuer. The date of payment of the redemption amount under the Notes is therefore not fixed. Payment of redemption amounts under the Notes depends on the realisation or liquidation of the Charged Assets. It may take a considerable period of time to redeem the Charged Assets, in particular in the case of a redemption pursuant to an Early Redemption. Noteholders may only receive payment of the relevant redemption amount under the Notes significantly later than the specified redemption date of the Notes. An Event of Default under the Notes shall occur if (i) the Early Redemption Payment Date does not occur within 90 days of the relevant Early Redemption Date or (ii) the Final Maturity Payment Date does not occur within 90 days of the Maturity Date or Extended Maturity Date, as applicable.

Liquidity

No secondary market for the Notes currently exists. Prospective purchasers of the Notes should therefore recognise that they may not be able to liquidate their investment in the Notes. Investment in the Notes is therefore only suitable for investors who are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time and are not acquiring the Notes with a view to a potential resale, distribution or other disposition at some future date.

Application has been made to list the Notes on the Vienna MTF of the Vienna Stock Exchange. Listing is expected to take place on or about the Issue Date but no assurance can be given that such application will be granted. Even if the Notes are listed, there is no assurance that a secondary trading market or liquidity will develop.

Extended Maturity Date

The term of the Notes may be extended for further periods of up to ten (10) years, provided that, at the request of the Issuer, the Calculation Agent, on behalf of the Issuer, has given a notice (the "**Extension Notice**") to the Trustee, the Principal Paying Agent and the Noteholders not less than one (1) calendar month prior to the Maturity Date or the Extended Maturity Date if applicable, stating that such extension shall take place in respect of the Notes. If no Extension Notice, or no further Extension Notices (if applicable) are delivered by the Calculation Agent, the Notes shall be redeemed on the Maturity Date or on the date stated in the final Extension Notice (such date being the "**Extended Maturity Date**").

Market and legal risk

The Notes will constitute secured, limited recourse obligations of the Issuer, recourse in respect of which will, in effect, be limited to the proceeds of the Mortgaged Property (which principally comprises the Charged Assets) relating to the Notes and no other assets of the Issuer will be available to satisfy claims of Noteholders. The Issuer's obligations to the Noteholders are solely funded by, and primarily secured on, the Charged Assets. Therefore, to the extent that the value of the Charged Assets falls, payment under the Charged Assets is not made, the Charged Assets cannot be sold or if the relevant security arrangements would not be enforceable, a loss of principal or interest or both under the Notes will result. Noteholders therefore assume the market and legal risk of the Charged Assets.

None of the Transaction Participants (as defined below but excluding the Portfolio Manager) nor any affiliate of any of them or other person on their behalf has made any investigation of, or makes any representation or warranty, express or implied, as to the standing or suitability of the Portfolio Manager or the financial or other condition of the Charged Assets.

None of the Issuer, the Programme Coordinator, the Trustee, the Principal Paying Agent, the Charged Assets Realisation Agent, the Calculation Agent, the Back Office Agent, the Broker Dealer of Record, the Portfolio Manager or any other Agent (together, the “**Transaction Participants**”) nor any affiliate of any of them (or any person on their behalf) assume any responsibility vis-à-vis the Noteholders for the economic success or lack of success of an investment in the Notes, or the performance, the value or terms of the Charged Assets. No Transaction Participant will have any responsibility or duty to make any such investigations, to keep any such matters under review, to provide the Noteholders, or prospective purchasers of the Notes, with any information in relation to such matters or to advise as to the attendant risks.

Independent review and advice

Each prospective purchaser of Notes must determine, based on its own independent review and such legal, financial and tax advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines, authorisations and restrictions (including as to its capacity) applicable to it, (iii) has been duly approved in accordance with all applicable laws and procedures and (iv) is a fit, proper and suitable investment for it, undertaken for a proper purpose.

Legality of purchase

None of the Transaction Participants or any affiliate of any of them or other person on their behalf has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

No reliance

The Transaction Participants and all affiliates of any of them disclaim any responsibility to advise purchasers of the Notes of the risks and investment considerations associated with the purchase of the Notes as they may exist at the date hereof or from time to time hereafter.

No restrictions on activities

Any of the Transaction Participants and any affiliate of any of them or other person on their behalf may have existing or future business relationships (including depository, lending, advisory or any other kind of commercial or investment banking activities or other business) with any of the other Transaction Participants and any affiliate of any of them or other person on their behalf and may purchase, sell or otherwise deal in any assets or obligations of, or relating to, any such party. Any of the Transaction Participants and any affiliate of any of them or other person on their behalf may act with respect to any such business, assets or obligations without regard to any possible consequences for the Issuer, the Notes or any Noteholder (or the impact of any such dealing on the interests of any Noteholder) or otherwise.

Provision of information

Any of the Transaction Participants or any affiliate of any of them or any other person acting

on their behalf may at the date hereof or at any time hereafter be in possession of information in relation to the other Transaction Participants or any affiliate of any of them or any other person acting on their behalf or on behalf of the Charged Assets (which may or may not be publicly available or confidential). None of such persons shall be under any obligation to make any such information available to Noteholders or any other party other than as provided in the Conditions of the Notes.

Taxation

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. Neither the Issuer nor any other person will pay any additional amounts to the Noteholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer or by the Principal Paying Agent (or any other Paying Agent).

The Notes will not be treated as subject to 871(m) of the US Internal Revenue Code of 1986 as amended.

Legal opinions

No legal opinions will be obtained with respect to any applicable laws, including the laws applicable to the Portfolio Manager, the laws governing the Charged Assets or as to the validity, enforceability or binding nature of the Charged Assets.

Conflict of interests

Any of the Transaction Participants or any affiliate of any of them or any other person acting on their behalf may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities (including shares in a Transaction Participant), currencies, financial instruments or other assets owned by a Transaction Participant. Any trading and / or hedging activities of Transaction Participants or any affiliate of any of them or any other person acting on their behalf related to this transaction may have an impact on the price of the underlying assets.

Clearing systems

The Notes will be represented by one or more Temporary Global Notes and Permanent Global Notes. Such Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the limited circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments through the Principal Paying Agent to the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect

of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

Limitations of the ability to grant security over Notes while in global form

Because transactions in the Notes will be effected only through Euroclear or Clearstream, Luxembourg, direct or indirect participants in their respective book-entry-systems and certain banks, the ability of a Noteholder to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise to take actions in respect of such interests, may be limited due to the lack of physical security representing such interest.

3.4 Risks relating to the Charged Assets

3.4.1 Custody Account

The Charged Assets are held in the Custody Account, and are subject to a lien and right of set-off retained by the Custodian over the assets held in the Custody Account, which in each case rank in priority to any security interests created by the Trust Deed or Charging Instrument in favour of the Trustee. The Custodian takes such lien and set off rights as security for its fees, costs and expenses pursuant to the Custody Agreement, as well as all its reasonable costs and expenses incurred in the collection of any debit balance or unpaid deficiency in the Custody Account, including, but not limited to, attorneys' fees. Therefore, the value of the Notes will be reduced by such fees, costs, expenses and charges.

The Custody Account is provided to the Issuer by The Bank of New York Mellon, London branch (the "**Custodian**"). As the ability of the Issuer to make payments under the Notes is contingent on the performance of the Portfolio held in the Custody Account, the interests of the Noteholders may be negatively affected by an insolvency or winding up of the Custodian, or should any administrative or regulatory sanctions be imposed on the Custodian. See further 'Description of the Custody Account'.

Noteholders should be aware that the Custodian may, pursuant to the Custody Agreement, hold Charged Assets with sub-custodians selected by it (and not subject to prior approval of the Issuer or Trustee). Therefore the Noteholders may be negatively affected by an insolvency or winding up of any sub-custodian holding Charged Assets, or should any administrative or regulatory sanctions be imposed on any relevant sub-custodian. The liability of the Custodian for Charged Assets held by certain sub-custodians may be lower than its liability were it to hold the Charged Assets directly.

The Charged Assets may be held by the Custodian (or sub-custodian) in omnibus accounts such that the Charged Assets are not segregated from other assets held in such accounts. In the case of any shortfall of securities held in such accounts (i.e. there are not enough securities to meet the claims of all custody clients) the Issuer (and therefore Noteholders) may be negatively affected by such shortfall.

3.4.2 Investment in Securities by the Portfolio Manager

The Portfolio Manager may invest in Securities that meet the Management Criteria. The Management Criteria are very wide and allow the Portfolio Manager a wide discretion in selecting the Securities that it wishes to invest in.

Potential investors should be aware that an investment in Securities involves a high degree of risk. Typically, the success of any investment in Securities depends on the ability of the Portfolio Manager to choose, develop and realise appropriate investments, and there will be no guarantee that the Portfolio Manager will be able to choose, make and realise investments

in any particular company or portfolio of companies.

An investor in the Notes should ensure that they have considered the operational history of the Portfolio Manager and whether the Portfolio Manager has a proven track record, to the satisfaction of the investor in the Notes. Subject to the Management Criteria, the Portfolio Manager may invest in less established companies with lower capitalisations, fewer resources and little or no performance record. As the investments in Securities are likely to be minority interests, it cannot be certain that investors' interests will be effectively protected. There can be no assurance that the investments in the Securities will produce gains. Some or all of the investment in any Securities may be lost which could have a negative impact on the value of the Notes.

The Portfolio Manager's investments may be exposed, directly or indirectly, to the performance of companies which may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. Such companies may face intense competition, changing business or economic conditions or other developments that may adversely affect their performance.

The activity of identifying, completing and realising attractive investments is highly competitive, and involves a significant degree of uncertainty. Other investors such as funds and vehicles with similar investment objectives to the Issuer may be formed in the future by other unrelated parties and further consolidation may occur. There is no assurance that the Portfolio Manager will be able to locate, complete and exit investments that satisfy the Investment Objectives, or realise the value of such investments, or that it will be able to invest fully the amount committed.

Investments may not be liquidated for a number of years after the initial investment and may require a substantial length of time to liquidate. As a result, there is a risk that the Portfolio Manager may be unable to realise the Investment Objectives by sale or other disposition at attractive prices or will otherwise be unable to complete any exit strategy.

In respect of the Custody Account, the Issuer (and, accordingly, the Noteholders also) is exposed to a fall in the prices of the Securities in the Portfolio.

3.4.3 Security for the Notes

Security over the Custody Account

In respect of the Securities held in respect of the Notes in the Custody Account, which is held with the Custodian, the Issuer will grant security interests over the Custody Agreement and the Custody Account pursuant to the English law governed Charging Instrument entered into between the Issuer and the Trustee dated on or about the Issue Date.

Security over the BNYM Unwind Custody Account

The Issuer has also granted security over the Account Bank Agreement and the BNYM Operating Account (as defined below) held pursuant thereto and the Unwind Account Custody Agreement and the BNYM Unwind Custody Account held pursuant thereto in favour of the Trustee, as security for itself and the Secured Parties, pursuant to the Programme Accounts Security Agreement in respect of the Issuer's obligations to the Trustee in respect of all Series under the HFMX Programme. Pursuant to a deed of confirmation, the Issuer will confirm to the Trustee that the Programme Accounts Security Agreement charges the Account Bank Agreement and the BNYM Operating Account held pursuant thereto and the Unwind Account Custody Agreement and the BNYM Unwind Custody Account held pursuant thereto in favour of the Trustee in respect of the Issuer's obligations under the Series.

Transfer of monies between the accounts & commingling

The subscription proceeds of the Notes shall be transferred from the BNYM Unwind Custody Account into the Custody Account. The proceeds of any Redemption Amount or Interest Amount payable to the Noteholders shall be transferred from the Custody Account into the BNYM Unwind Custody Account (as further described in Special Condition 8.1.1 (Description of the Accounts – General)). Monies shall be transferred from the Custody Account into the BNYM Operating Account for payment of amounts owed to service providers (as further described in Special Condition 5.8 (Fees) and Special Condition 8.1.1 (Description of the Accounts – General)). It is intended that such transfers will happen promptly however this may not always be possible and there may be a delay in respect of such transfers. Such monies held in the BNYM Unwind Custody Account may be temporarily commingled with monies attributable to other series. While the Issuer has granted security over such monies pursuant to the Constituting Instrument, the Programme Accounts Security Agreement and the Charging Instrument in favour of the Trustee (for itself and the other Secured Parties), Noteholders should note that the commingling of such monies may have a negative effect on the Trustee's ability to enforce security over such monies.

Fixed vs floating charges and perfection of the Charging Instrument

Certain of the charges in respect of the Notes are stated to be fixed charges in nature. The essence of a fixed charge is that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer or any other party (for example the Portfolio Manager) any such charge may operate as a floating, rather than a fixed, charge.

It should be noted that the Noteholders are reliant on the Issuer and the Programme Coordinator to take all necessary steps to ensure that the Charging Instrument is perfected and enforceable. If (i) one or more steps necessary to effect perfection of Charging Instrument are not taken, (ii) there are any issues with Issuer's title to the assets the subject of the Charging Instrument, or (iii) there is any restriction on the ability to charge the assets the subject of the Charging Instrument, then the Charging Instrument may not be enforceable in whole or in part. Noteholders should be aware that the Trustee has not investigated any of the above matters and is solely reliant on the Issuer and the Programme Coordinator to take all necessary steps to ensure that the Charging Instrument is valid and enforceable in the manner envisaged over the relevant assets.

Security may be declared invalid

The Issuer will grant security interests in favour of the Trustee for itself and for the benefit of the Noteholders in the Mortgaged Property pursuant to the Trust Deed and the Charging Instrument (as defined below). However, if the security interest of the Trustee in the Mortgaged Property was determined to be invalid or unperfected, Noteholders would be unsecured creditors and would rank on a pari passu basis with other unsecured creditors (if any) of the Issuer. Each of the foregoing factors may delay or reduce investors' return on their Notes and investors may suffer a loss (including a total loss) on their investment.

Not a bank deposit

Any investment in the Notes does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland. The Issuer is not regulated by the Central Bank of Ireland by virtue of the issue of the Notes.

3.4.4 Redemption and transfer of the Charged Assets

Realisation of the Charged Assets may in certain circumstances be deferred in accordance with their relevant terms. The period of deferral may be significant. Therefore in certain circumstances, including where the Security for the Notes (and any Further Notes) becomes enforceable, there may be a significant delay in payments under the Notes and / or it may be impossible to transfer the Charged Assets as a means of realising their value.

3.5 Summary of Principal Underlying Investment Risks

As with any investment, you could lose all or part of your investment in the Notes, and the Notes' performance could trail that of other investments. The Notes are subject to one or more of the principal risks noted below (either directly or through its investments in underlying securities), any of which may adversely affect the Notes' Net Asset Value, trading price, yield, total return and ability to meet its investment objective.

3.5.1 Asset Class Risk

Securities in an underlying portfolio may underperform in comparison to the general securities markets or other asset classes.

3.5.2 Commodity Risk

The value of commodities and commodity-linked derivative instruments typically is based upon the price movements of a physical commodity or an economic variable linked to such price movements. The prices of commodities and commodity-related investments may fluctuate quickly and dramatically and may not correlate to price movements in other asset classes. An active trading market may not exist for certain commodities. Each of these factors and events could have a significant negative impact on the Notes.

3.5.3 Concentration Risk

To the extent that the Notes' underlying investments are concentrated in a particular issuer, region, country, market, industry or asset class, the Notes may be susceptible to loss due to adverse occurrences affecting that issuer, region, country, market, industry or asset class.

3.5.4 Counterparty Risk

The Issuer bears the risk that the counterparty to a derivative or other contract with a third party may default on its obligations or otherwise fail to honour its obligations. If a counterparty defaults on its payment obligations the Issuer will lose money and the value of an investment in the Notes may decrease. In addition, the Issuer may engage in such investment transactions with a limited number of counterparties.

3.5.5 Credit Risk

The financial condition of an issuer of Securities may cause it to default or become unable to pay interest or principal due or otherwise fail to perform. The Issuer cannot collect interest and principal payments on Securities if the issuer defaults. While the Issuer attempts to limit credit exposure in a manner consistent with its investment objective, the value of an investment in the Notes may change quickly and without warning in response to issuer defaults and changes in the credit ratings of the Issuer's portfolio investments.

3.5.6 Currency Exchange Rate Risk

The Issuer currently invests a relatively large percentage of its assets in investments denominated in non-US currencies, or in securities that provide exposure to such currencies, currency exchange rates or interest rates denominated in such currencies. Changes in currency exchange rates and the relative value of non-US currencies will affect the value of the Issuer's investment and the value of the Notes. Currency exchange rates can be very volatile and can change quickly and unpredictably. As a result, the value of an investment in the Notes may change quickly and without warning and you may lose money.

3.5.7 Emerging Markets Risk

Investing in emerging market assets involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) the risk of nationalization or expropriation of assets or confiscatory taxation; (ii) social, economic and political uncertainty including war; (iii) dependence on exports and the corresponding importance of international trade; (iv) price fluctuations, less liquidity and smaller capitalization of securities markets; (v) currency exchange rate fluctuations; (vi) rates of inflation (including hyperinflation); (vii) controls on foreign investment and limitations on repatriation of invested capital and on the Issuer's ability to exchange local currencies for U.S. dollars; (viii) governmental involvement in and control over the economies; (ix) governmental decisions to discontinue support of economic reform programs generally and to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the securities markets; (xii) longer settlement periods for securities transactions in emerging markets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; (xiv) certain considerations regarding the maintenance of portfolio securities and cash with non-U.S. subcustodians and securities depositories; and (xv) overall greater volatility.

3.5.8 Equity Securities Risk

Equity securities or equity-linked derivative instruments are subject to changes in value and their values may be more volatile than other asset classes.

3.5.9 Interest Rate Risk

Interest rate risk is the risk that fixed income securities or fixed income-linked derivative instruments will decline in value because of changes in interest rates and other factors, such as perception of an issuer's creditworthiness.

3.5.10 Investment Risk

As with all investments, an investment in the Notes is subject to investment risk. Noteholders could lose money, including the possible loss of the entire principal amount of an investment, over short or long periods of time.

3.5.11 Issuer-Specific Risk

Issuer-specific events relating to the underlying issuer of Securities, including changes in the financial condition of any such Issuer, can have a negative impact on the value of the Notes.

3.5.12 Liquidity Risk

The Issuer may invest in derivatives and other instruments that may be less liquid than other types of investments. The derivatives in which the Issuer invests may not always be liquid. This could have a negative effect on the Issuer's ability to achieve its investment objective and

may result in losses to holders of the Notes.

3.5.13 Management Risk

The Portfolio is actively managed by the Portfolio Manager using proprietary investment strategies and processes. There can be no guarantee that these strategies and processes will be successful or that the Portfolio Manager will achieve its investment objective.

3.5.14 Market Risk

The trading prices of commodities, currencies, fixed income securities and other instruments fluctuate in response to a variety of factors. The Net Asset Value of the Notes and market price may fluctuate significantly in response to these factors. As a result, an investor could lose money over short or long periods of time.

3.5.15 Market Trading Risk

The Issuer faces numerous market trading risks, including the potential lack of an active market for the Notes, losses from trading in secondary markets and periods of high volatility. ANY OF THESE FACTORS, AMONG OTHERS, MAY LEAD TO THE NOTES TRADING AT A PREMIUM OR DISCOUNT TO NET ASSET VALUE.

AS WITH ANY INVESTMENT YOU COULD LOSE ALL OR PART OF YOUR INVESTMENT IN THE NOTES AND THE NOTES' PERFORMANCE COULD TRAIL THAT OF OTHER INVESTMENTS. PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE NOTES WITHOUT TAKING INDEPENDENT ADVICE ON THE RISKS SET OUT HEREIN.

3.5.16 Portfolio Turnover Risk

The Issuer's strategy may frequently involve buying and selling portfolio securities to rebalance the Portfolio's exposure. Higher portfolio turnover may result in the Issuer paying higher levels of transaction costs. Portfolio turnover risk may cause the performance of the Notes to be less than you expect.

3.5.17 Strategy Risk

The Portfolio Manager cannot offer assurances that the Securities allocation model will maximize returns or minimize risk, or be appropriate for every investor seeking a particular risk profile.

3.5.18 Volatility Risk

The Notes and their underlying benchmark are designed to capture the long-term economic benefits of rising or declining market trends. Frequent or significant short-term price movements could adversely impact the performance of the benchmark and the Notes.

THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE, A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD ANY NOTES. THE ATTENTION OF INVESTORS IS ALSO DRAWN TO THE SECTIONS HEADED 'RISK FACTORS' IN THE PROGRAMME MEMORANDUM.

4 CONDITIONS OF THE NOTES

The Noteholders should note that words and expressions not otherwise defined below shall have the meanings respectively ascribed to them by Special Condition 5.1 (Definitions). The Master Definitions (2018 Edition) will apply for the purposes of interpretation of these terms and conditions and the Conditions except as expressly provided therein or the context otherwise requires.

The Notes shall have the following terms and conditions which shall complete, modify and amend the Master Conditions (2018 Edition), which shall apply to the Notes as so completed, modified and amended. References to “**Conditions**” or “**Condition**” shall mean references to the Conditions of the Notes as modified herein.

The Issuer intends that any Further Notes (as defined herein) shall (save in respect of the relevant issue date) have the same Conditions as, and form a single Series with, the Notes of Series 463 Galil.

Programme:	HFMX Programme
Series:	Galil ETP (Series 463) Notes due 2041
Series Number:	463
Tranche Number:	1
ISIN Code:	XS2415308175
Common Code:	241530817
Delivery:	Issue Agent shall deliver notes to the Issuer in free of payment form prior to the subscription by Noteholders.

Issue Date:	30 November 2021
Trade Date:	30 November 2021
Maturity Date:	29 November 2041
Extended Maturity Date:	See Special Condition 5.10 (Extended Maturity Date)
Principal Amount:	USD 9,000,000
Currency:	USD
Authorised Denomination:	USD 1,000, provided that the minimum principal amount of Notes which an investor may subscribe or redeem for is USD 125,000
Initial Subscription Price:	100%
Subscription Price:	NAV per Note or such other price as may be determined by the Calculation Agent

Issuer:	HFMX Designated Activity Company
Trustee:	Intertrust Trustees Limited
Programme Coordinator:	FlexFunds ETP, LLC

Charged Assets Realisation Agent:	FlexFunds ETP, LLC
Calculation Agent:	FlexFunds ETP, LLC
Back Office Agent:	GWM LTD
Broker Dealer of Record:	GWM LTD
Portfolio Manager:	Futura Asset Advisors LLC
Issue Agent:	The Bank of New York Mellon, London Branch
Principal Paying Agent:	The Bank of New York Mellon, London Branch
Custodian:	The Bank of New York Mellon, London Branch

Status of the Notes:	Secured and limited recourse obligations of the Issuer ranking pari passu without any preferences amongst themselves secured as set out under Security below and subject to the priority set out under Priority below.
Priority:	Counterparty Priority applies.
Type of Note:	Variable Coupon Note
Interest Period:	As regards the first interest period, the period from and including the Issue Date to and excluding the first Interest Determination Date and as regards all subsequent interest periods the period from and including an Interest Determination Date to and excluding the next Interest Determination Date or to and including, as applicable, the Maturity Date, the Extended Maturity Date or any Early Redemption Date, as applicable.
Interest Determination Date:	Any Business Day at the discretion of the Calculation Agent following receipt of a dividend, distribution or similar payment in respect of the Series Assets.
Interest Rate:	The Notes shall receive a total return based on the performance of the Portfolio during the Interest Period.
Interest Amount:	The amount determined by the Calculation Agent being: <ol style="list-style-type: none"> 1. the proceeds of a dividend, distribution, interest payment or other amount in respect of the Charged Assets; less 2. any costs, expenses, taxes and duties incurred in connection with the receipt of such revenue; and 3. subject to deduction of any outstanding fees pursuant to Special Condition 5.8 (Fees)
Interest Payment Dates:	Any Business Day not less than five (5) but no later than ten (10) Business Days following an Interest Determination Date. At least two (2) Business Days prior to such Interest Payment Date, the Calculation Agent shall provide to the Principal Paying Agent a notice setting out the Interest Payment Date and Interest Amount Payable. For the

	avoidance of doubt the “Interest Payment Date” shall be deemed to be the date on which the Interest Amount is wired by the Issuer to the Principal Paying Agent.
Listing:	An application has been made for admission of the Notes to the official list of the Vienna MTF of the Vienna Stock Exchange. Such listing is expected to take place on or about the Issue Date however no assurance is given that approval of such application will be granted.
Selling Restrictions:	The Notes will not be offered to the public in any jurisdiction. See ‘ <i>Selling Restrictions</i> ’ below and in the Programme Memorandum.
Form of Notes:	Bearer Notes
The Notes will initially be represented by:	Temporary Global Note.
Applicable TEFRA exemption:	D Rules
Exchange of Temporary Global Note or Permanent Global Note:	<p>The Temporary Global Note or, as the case may be, Permanent Global Note will be exchangeable, in whole but not in part, for a definitive Bearer Note if:</p> <ol style="list-style-type: none"> 1. Euroclear or Clearstream, Luxembourg or any other clearing system in which the Permanent Global Note or, as the case may be, Temporary Global Note is for the time being deposited terminates its business and no alternative clearing system, satisfactory to the Trustee and the Principal Paying Agent is available; or 2. the Notes become due and payable in accordance with Condition 4 (Events of Default) and payment is not made on due presentation of the Temporary Global Note or, as the case may be, Permanent Global Note for payment.
Business Day Convention:	Following Business Day Convention applies.
Redemption Amount:	<p>Unless previously redeemed the Notes will be redeemed by a payment in respect of each Note on the Final Maturity Payment Date of an amount in USD equal to the Redemption Amount.</p> <p>The Final Maturity Payment Date may be significantly later than the Maturity Date or Extended Maturity Date.</p> <p>See Special Condition 5.3 (Redemption Amount)</p>
Early Redemption Amount:	See Special Condition 5.4 (Early Redemption Amount)
Optional Redemption and Purchase:	See Special Condition 5.5 (Optional Redemption and Purchase)
Mandatory Redemption:	See Special Condition 5.6 (Mandatory Redemption)

Reports, calculations, determinations and notifications:	<p>The Programme Coordinator will publish a summary of the NAV Report received from the Calculation Agent on Bloomberg and will disseminate the NAV to SIX Financial Information USA Inc. and to the Vienna Stock Exchange.</p> <p>See Special Condition 5.7 (Reports, calculations, determinations and notifications).</p>
Fees:	<p>The amounts payable under the Notes are based on the performance of the Charged Assets after deduction of fees due to the Portfolio Manager. Such fees are in addition to the fees due to the Trustee, the Programme Coordinator and any Agents, and any other transaction related fees incurred by the Issuer in respect of the issuance of the Notes.</p> <p>All fees are payable prior to any amounts being payable in respect of the Notes to any Noteholders. The fees will be applied in calculating the value of the Portfolio and therefore will result in a reduction in the value of the Notes.</p> <p>See Special Condition 5.8 (Fees)</p>
Further Issues:	See Special Condition 5.9 (Further Issues)
Governing Law:	<p>The Notes and any dispute or claim arising out of or in connection with them (including non-contractual obligations, disputes or claims) shall be governed by and construed in accordance with Irish law. The courts of Ireland shall have non-exclusive jurisdiction in respect of any dispute.</p> <p>The Charging Instrument is governed by the Laws of England and Wales. The Courts of England may have jurisdiction over any dispute or enforcement proceedings relating thereto.</p>

Portfolio Management	
Portfolio Manager:	Futura Asset Advisors LLC
Portfolio Management Agreement:	<p>The terms and conditions of the appointment of the Portfolio Manager are set out in the Portfolio Management Agreement.</p> <p><i>See "Information relating to the Portfolio Management Agreement" below.</i></p>
Investment Objective:	<p>The Portfolio Manager, in accordance with the terms of the Portfolio Management Agreement, shall be obliged to use all reasonable endeavours, in the course of carrying out such obligations, to pursue an investment strategy that maximises the total returns achieved by the Portfolio by long term growth and preservation of capital to be achieved by the reinvestment of bond coupon payments and proper geographical duration and issuer diversification. The Portfolio asset allocation should be as follows: 30-100% in bonds, 0-50% in equity and equity linked structured</p>

	products, 0- 20% in cash, and 0-10% in alternatives. There should not be short-term liquidity needs and the target return should be between 5-7%.
Management Criteria:	The Portfolio Manager will seek to achieve the Investment Objective through the Investment Strategy and Management Criteria as set out in the Portfolio Management Agreement.

Custody Account:	The account with account number 209355 (and any replacement, redesignation or reinstatement thereof) held by the Issuer with the Custodian and established pursuant to the Custody Agreement.
Custodian:	The Bank of New York Mellon, London Branch
Custody Agreement:	The custody agreement (April 2018 Edition) dated on or about the Issue Date entered into between the Issuer and the Custodian pursuant to the Constituting Instrument.

Security	
Security:	<p>The Security is subject to a lien over the Securities held in the Custody Account and right of set-off over and against any cash accounts held by the Issuer pursuant to the Account Bank Agreement, Unwind Account Custody Agreement and Custody Agreement which are intended to rank in priority to any security interests created by either the Trust Deed or the Charging Instrument.</p> <p>See “Description of the security arrangements in respect of the Notes” below.</p>
Charged Assets:	The Charged Assets shall be (i) the Custody Account (ii) the Custody Agreement (iii) the rights of the Issuer under the Account Bank Agreement and any accounts held pursuant thereto in respect of the Series (including the BNYM Operating Account and BNYM Interest Account), (iv) rights of the Issuer under the Unwind Account Custody Agreement and any accounts held pursuant thereto in respect of the Series (including the BNYM Unwind Custody Account) and (vi) the Related Rights.
Related Rights:	All rights of the Issuer derived from or connected to (i) the Custody Account and the Custody Agreement (ii) the rights of the Issuer over the Account Bank Agreement and any accounts held pursuant thereto in respect of the Series (including the BNYM Operating Account and BNYM Interest Account), the Unwind Account Custody Agreement and any accounts held pursuant thereto in respect of the Series (including the BNYM Unwind Custody Account) and (iii) including, without limitation, any rights to receive additional shares or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, dividend, distribution, income or otherwise) in

	respect of each account and agreement in (i) to (iii) above.
Charging Instrument:	The Issuer will grant in favour of the Trustee, as security for itself, and the Secured Parties an English law governed security interest over the Custody Account and the Custody Agreement pursuant to the English law governed security assignment of contractual rights over bank account (relating to the Custody Account) entered into between the Issuer and the Trustee on or about the Issue Date (the “ Charging Instrument ”).

5 SPECIAL CONDITIONS OF THE NOTES

5.1 Definitions

Words set out in italics in these Conditions do not form part of the definitions for the purpose of the Constituting Instrument and the documents constituted thereby. In the event of a conflict between the Conditions and the Special Conditions, the Special Conditions shall prevail.

“**Account Bank Agreement**” means the account bank agreement dated 15 August 2018 between the Issuer, the Trustee and The Bank of New York Mellon, London branch as the same may be amended, restated, amended and restated, novated, varied, supplemented, substituted, assigned, extended or otherwise replaced or redesignated from time to time;

“**BNYM Interest Account**” means the interest account held by the Issuer with The Bank of New York Mellon, London branch pursuant to the Account Bank Agreement;

“**BNYM Operating Account**” means the operating account held by the Issuer with The Bank of New York Mellon, London branch pursuant to the Account Bank Agreement;

“**BNYM Unwind Custody Account**” means the unwind account held by the Issuer with The Bank of New York Mellon, London branch pursuant to the Unwind Account Custody Agreement;

“**Custody Account**” means the custody account bearing the account number 209355 specified in the Constituting Instrument held by the Issuer (and any replacement, redesignation or restatement thereof) with the Custodian, pursuant to the Custody Agreement;

“**Custody Agreement**” means the custody agreement dated on or about the Issue Date entered into between the Issuer, the Trustee and the Custodian pursuant to the Constituting Instrument;

“**Early Redemption Date**” means, as applicable, the Optional Redemption Date or the date of a notice given pursuant to a Mandatory Redemption Event, Additional Mandatory Redemption Event or Event of Default;

“**Early Redemption Payment Date**” means five (5) Business Days following the day that the Issuer receives the aggregate Sale Proceeds pursuant to Special Condition 5.4 (Early Redemption Amount). The Early Redemption Payment Date may be significantly later than the Early Redemption Date. See “*Risk Factors – Payments*”;

“Final Maturity Payment Date” means five (5) Business Days following the day that the Issuer receives the aggregate Sale Proceeds pursuant to Special Condition 5.3 (Redemption Amount). The Final Maturity Payment Date may be significantly later than the Maturity Date or the Extended Maturity Date, as applicable. See ‘*Risk Factors – Payments*’;

“HFMX Programme” means the EUR 5,000,000,000 Secured Note Programme of the Issuer;

“NAV per Note” means the aggregate Net Asset Value of the Portfolio divided by the total number of Notes subscribed for;

“NAV Report” means a report provided to the Issuer and the Programme Coordinator by the Calculation Agent setting out the calculation of the Net Asset Value of the Portfolio (net of any fees as described under Special Condition 5.8 (Fees));

“NAV Calculation Date” means the last calendar day of each calendar month provided that the Calculation Agent may in its sole discretion elect that the NAV Calculation Date shall mean any calendar day of each month by notifying the Issuer, the Trustee and the Noteholders in accordance with Condition 7 (*Notices*);

“NAV Report Date” means two (2) Business Days after each NAV Calculation Date;

“Net Asset Value” means, in respect of the Notes, the value for each component held in the Custody Account (net of any fees as described under Special Condition 5.8 (Fees)), as provided by the Calculation Agent or the Custodian to the Issuer and the Programme Coordinator, as the case may be, on or before the NAV Report Date;

“Net Proceeds” means an amount determined by the Calculation Agent being the pro rata share of the Sale Proceeds of the Charged Assets in respect of one Note; less the pro rata share in respect of one Note of any redemption and settlement costs and expenses in respect of the Charged Assets; less the pro rata share in respect of one Note of any fees, costs or expenses owing to the Trustee and the Agents in connection with the Notes; and less the pro rata share in respect of one Note of any fees payable to, the Portfolio Manager, and the Programme Coordinator pursuant to the Conditions of the Notes and any other outstanding fees costs or expenses pursuant to the Conditions of the Notes;

“Optional Redemption” means an optional redemption pursuant to Condition 2.5 as amended by Special Condition 5.5 (Optional Redemption and Purchase);

“Portfolio” means the portfolio of Securities held from time-to-time in the Custody Account;

“Programme Accounts Security Agreement” means the security assignment of contractual rights and charge over bank accounts dated 15 August 2018 between the Issuer and the Trustee as the same may be amended, restated, amended and restated, novated, varied, supplemented, substituted, assigned, extended or otherwise replaced or redesignated from time to time;

“Programme Coordinator Default” means if any of the following events occur (in the sole discretion of the Issuer) in respect of the Programme Coordinator and a substitute programme coordinator is not appointed (such appointment to be approved in writing by the Trustee provided that the approval shall not be

unreasonably withheld or delayed) is not made within ninety (90) days of the occurrence of the relevant event. If the Programme Coordinator:

1. is dissolved (other than pursuant to a consolidation, amalgamation or merger);
2. becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
3. makes a general assignment, arrangement or composition with or for the benefit of its creditors;
4. (A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within fifteen (15) days of the institution or presentation thereof;
5. has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
6. seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
7. has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen (15) days thereafter;
8. causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses 1. to 7. above (inclusive);
9. takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or
10. becomes unable to, or fails to within ten (10) days of receiving notice from the Trustee or the Issuer, perform its duties under the Notes;

"Redemption Amount" means an amount equal to the greater of (i) zero and (ii) the Net Proceeds;

"Sale Proceeds" means an amount determined by the Calculation Agent being the

proceeds of sale or other means of realisation of the Charged Assets less any costs, expenses, taxes and duties incurred in connection with the disposal or transfer of the Charged Assets by the Charged Assets Realisation Agent;

“Secured Obligations” means all payment and other obligations of the Issuer under the Notes, the Constituting Instrument (and each document constituted thereby) and the Transaction Documents;

“Securities” means the securities or other financial assets held in the Custody Account;

“Security” means (i) the security constituted by the Trust Deed entered into by the execution of the Constituting Instrument, (ii) the Charging Instrument and (iii) the Programme Accounts Security Agreement;

“Series 463 Galil” means the Series constituted pursuant to the Constituting Instrument; and

“Unwind Account Custody Agreement” means the unwind account custody dated 15 August 2018 between the Issuer, the Trustee and The Bank of New York Mellon, London Branch as the same may be amended, restated, amended and restated, novated, varied, supplemented, substituted, assigned, extended or otherwise replaced or redesignated from time to time.

5.2 Interest

5.2.1 Condition 1 (Interest) shall apply to the Notes read with this Special Condition 5.2 (Interest).

5.2.2 The Calculation Agent will, on or as soon as practical after each Interest Determination Date, determine the Interest Rate and calculate the Interest Amount for the relevant Interest Period. The Calculation Agent shall inform the Trustee, the Issuer, the Portfolio Manager, the Principal Paying Agent and each of the Paying Agents of the amount payable and interest shall be paid in accordance with the Conditions and the Agency Agreement.

5.3 Redemption Amount

5.3.1 The Redemption Amount of the Notes shall be determined in accordance with Condition 2.4 (Redemption Amount of Notes) read with this Special Condition 5.3 (Redemption Amount).

5.3.2 Unless previously redeemed or purchased, each Note will be redeemed by a payment in respect of each Note of the Redemption Amount on the Final Maturity Payment Date.

5.3.3 No interest or other amount shall accrue or be payable in respect of the Notes in respect of the period from and including the Maturity Date or, as applicable, the Extended Maturity Date, to and including the Final Maturity Payment Date.

5.4 Early Redemption Amount

5.4.1 The Early Redemption Amount of the Notes shall be determined in accordance with Condition 2.4 (Redemption Amount of Notes) read with

this Special Condition 5.4 (Early Redemption Amount).

5.4.2 In the event of:

- (A) the Notes becoming due and payable pursuant to Condition 2.2 (Mandatory Redemption) the Charged Assets Realisation Agent shall, on behalf of the Issuer sell or procure the sale or other means of realisation of the Charged Assets and the applicable amount payable in respect of each Note will be the pro rata share of the Net Proceeds of such sale or other means of realisation; or
- (B) any Notes becoming due and payable pursuant to an Optional Redemption, the Charged Assets Realisation Agent shall, on behalf of the Issuer sell or procure the sale or other means of realisation of the applicable amount of Charged Assets and the applicable amount payable in respect of each Note will be the pro rata share of the Net Proceeds of such sale or other means of realisation; or
- (C) redemption of the Notes pursuant to Condition 4 (Events of Default) the applicable amount payable in respect of each Note shall be the amount available by applying the portion available to the Noteholders pursuant to Condition 3.3 (Application) of the Net Proceeds of enforcement of the security in accordance with Condition 3 (Security) *pari passu* and rateably between the Notes,

(such amount being the “**Early Redemption Amount**” and the term “**Redemption Amount**” includes the Early Redemption Amount).

5.4.3 Redemption of the Notes at their Early Redemption Amount shall not constitute an Event of Default.

5.4.4 The Early Redemption Amount will be paid on the Early Redemption Payment Date.

5.4.5 No interest or other amount shall accrue or be payable in respect of the Notes in respect of the period from and including the Early Redemption Date to and including the Early Redemption Payment Date.

5.5 **Optional Redemption and Purchase**

5.5.1 **Optional Redemption by the Issuer**

Condition 2.5.2 (Optional Redemption by the Issuer) shall, subject to the amendments set out herein, apply to the Notes read with this Special Condition 5.5.1 (Optional Redemption by the Issuer). The Issuer subject to compliance with all relevant laws, regulations and directives may, on giving not more than sixty (60) nor less than fifteen (15) Business Days’ notice to the Trustee and the Noteholders in accordance with Condition 7 (such notice an “**Optional Redemption Notice**”) redeem any amount of the Notes in whole or in part. In the case of a redemption of the Notes in whole, they shall be redeemed at their Early Redemption Amount on the date specified in such notice (the “**Optional Redemption Date**”) provided that the Early Redemption Amount shall be payable on the Early Redemption Payment Date.

Notice given by the Issuer to redeem Note(s) pursuant to this Special Condition may not be withdrawn (save with the prior written consent of the Trustee) and the Issuer shall be bound to redeem the Note(s) in accordance with the notice, this Special Condition and the Constituting Instrument.

In the case of a redemption of the Notes in part, they shall be redeemed by payment of a portion of the principal amount outstanding of each Note as specified in the Optional Redemption Notice (such amount the “**Partial Redemption Amount**”) provided that the Partial Redemption Amount shall be payable on the date specified in the Optional Redemption Notice.

5.5.2 **Optional Redemption by the Noteholder**

Condition 2.5.1 (Optional Redemption by the Noteholder) shall apply to the Notes read with this Special Condition 5.5.2 (Optional Redemption by the Noteholder).

The Issuer shall, subject to compliance with all relevant laws, regulations and directives, at the option of any Noteholder, redeem such Note on the date or dates specified below at its Early Redemption Amount together with interest accrued to the date fixed for redemption.

Any optional redemption shall be subject to sufficient liquidity in the Charged Assets to fund such redemption, as determined by the Calculation Agent.

To exercise such option the holder must deposit the relevant Note with any Paying Agent at their respective specified offices, together with a duly completed notice of redemption (“**Redemption Notice**” which shall specify the Optional Redemption Date) in the form obtainable from any Principal Paying Agent not more than thirty (30) days nor less than ten (10) days prior to the Noteholder Redemption Date and provided that, in the case of any Note represented by a Global Note registered in the name of a nominee for a Clearing System, the Noteholder must deliver such Redemption Notice together with an authority to the Clearing System (in each case, as appropriate) to debit such Noteholder’s account accordingly. No Note (or authority) so deposited may be withdrawn (except as provided in the Constituting Instrument) without the prior written consent of the Issuer.

For the purposes of this Special Condition 5.5.2 (Optional redemption by the Noteholder):

“**Noteholder Redemption Date**” means a date falling on the last Business Day of each calendar month of each year that the Notes remain outstanding.

5.5.3 **Optional Purchase**

Condition 2.5.4 (Optional Purchase) shall apply to the Notes read with this Special Condition 5.5.3 (Optional Purchase). The Issuer at any time after receipt of a notice from the Programme Coordinator specifying the number of Notes to be purchased and details of the Noteholder(s) from whom the relevant Notes are to be purchased (such notice an “**Optional Purchase**”

Notice”), subject to compliance will all relevant laws, regulations and directives may purchase such Notes in accordance with Condition 2.6 (Purchase).

5.6 Mandatory Redemption

5.6.1 Condition 2.2 (Mandatory Redemption) shall apply to the Notes read with this Special Condition 5.6 (Mandatory Redemption). Each of the following shall be Additional Mandatory Redemption Events for the purposes of Condition 2.2.2:

- (A) the Issuer (in its sole discretion) determines that an Programme Coordinator Default has occurred;
- (B) the Custodian fails to perform or observe any of its obligations under the Custody Agreement and, such failure continues for a period of sixty (60) days (or such longer period as the Issuer may permit) without being remedied following the service of notice by the Issuer on the Custodian requiring the same to be remedied (and for such purpose, any failure to perform or observe any obligation shall be deemed remediable notwithstanding that the failure results from not doing an act or thing by a particular time);
- (C) the Custodian removes, restricts or suspends the access of the Portfolio Manager to the Custody Account for a period of more than five (5) Business Days, for any reason whatsoever;
- (D) the termination of the Custody Agreement becomes effective prior to the date on which the Issuer has completely fulfilled all of its obligations with respect to the Notes, provided that in relation to (B) or (C) above the Issuer may, upon becoming aware of such event or that such event will occur will the passage of time, elect to appoint a substitute Custodian reasonably satisfactory to the Trustee and provided further that the Issuer will enter into such further documentation reasonably required by the Trustee in connection therewith (including the granting of any additional security); and
- (E) the Calculation Agent, at the request of the Programme Coordinator, or the Issuer acting at its sole and absolute discretion and without obligation to make such a request, certifies to the Issuer, Trustee, Portfolio Manager and Principal Paying Agent for the purposes of this Special Condition 5.6(E), that the Net Asset Value of the Portfolio is below one million United States Dollars (\$1,000,000) on any NAV Calculation Date occurring on or after the date falling six (6) months from the Issue Date of the Series, unless in the case of a certification made at the request of the Programme Coordinator, the Issuer determines in its sole and absolute discretion that a Mandatory Redemption Event is not to occur and provides written notice of such determination to the Programme Coordinator, Calculation Agent, Trustee, Portfolio Manager and Principal Paying Agent within five (5) Business Days of the certification made at the request of the Programme Coordinator.

- (F) A request by the Programme Coordinator or the Issuer to the Calculation Agent as referenced in paragraph (E) above shall be made by the Programme Coordinator or the Issuer in its sole and absolute discretion and without any obligation for it to make such a request regardless of the level of the Net Asset Value of the Portfolio. In the absence of such a request, a Mandatory Redemption Event shall not occur even if the level of the Net Asset Value of the Portfolio is otherwise determined to be below one million United States Dollars (\$1,000,000) on a NAV Calculation Date occurring on or after the date falling six (6) months from the Issue Date of the Series.

5.7 Reports, calculations, determinations and notifications

- 5.7.1 Following receipt by the Programme Coordinator and the Issuer of the NAV Report from the Calculation Agent on the NAV Report Date, the Programme Coordinator will publish a summary of the NAV Report on Bloomberg and will disseminate the NAV to SIX Financial Information USA Inc. and to the Vienna Stock Exchange.
- 5.7.2 The NAV Report and the summary thereof will be an estimated valuation of the assets held in the Custody Account and shall not be interpreted as an indication of expected redemption values of the Notes. The NAV Report and the summary thereof shall take account of any fees, expenses or charges that apply to the Notes, and is subject to amendments and / or corrections at any time without giving notice to any person.
- 5.7.3 Whenever any matter falls to be determined, considered or otherwise decided upon by the Calculation Agent or any other person (including where a matter is to be decided by reference to the Calculation Agent's or such other person's opinion), unless otherwise stated, that matter shall be determined, considered or otherwise decided upon by the Calculation Agent or such other person, as the case may be, in its sole and absolute discretion. The Calculation Agent has agreed in the Constituting Instrument to comply with its obligations set out in these Conditions.
- 5.7.4 Each Transaction Participant (other than the Calculation Agent) shall be entitled to rely on any certification, notification, calculation or determination of the Calculation Agent given or copied to it as being true and accurate for all purposes and none of them shall be obliged to make any investigation or enquiry into any such certification, notification, calculation or determination or into the basis on which such certification, notification, calculation or determination was prepared, given or made.
- 5.7.5 The Calculation Agent is entitled to rely on any certification, notification, calculation, determination or announcement made by or on behalf of the Custodian in connection with the Custody Account and shall not be obliged to make any investigation or enquiry into, and shall incur no liability to any person for relying on, any such certification, notification, calculation, determination or announcement reasonably believed by it to be genuine and made by or on behalf of the Custodian.

5.8 Fees

- 5.8.1 In addition to the fees due to the Trustee and any Agents, and any other

transaction related fees incurred by the Issuer in respect of the issuance of the Notes, as determined by the Calculation Agent, the Issuer has agreed to pay certain fees to the Portfolio Manager which will be deducted from the Portfolio.

- 5.8.2 The Management Fee, the Programme Coordinator Fee, the Ordinary Fees and (where applicable) the Extraordinary Fees (each as defined below) shall be determined by the Calculation Agent as at the NAV Calculation Date and as at the date expected to be two (2) Business Days immediately prior to the following: (i) the Final Maturity Payment Date, (ii) any Early Redemption Payment Date or (iii) any other date on which Notes are to be redeemed (any such date, a “**Fees Determination Date**”).

Portfolio Manager's Fees

- 5.8.3 The fees payable to the Portfolio Manager pursuant to the Portfolio Management Agreement shall be as follows:

- (A) A fee equal to the Management Fee Percentage per annum of the Net Asset Value of the Portfolio as at the most recent Management Fee Calculation Date, payable on the Management Fee Payment Date (the “**Management Fee**”).

For the purposes of the Management Fee:

“**Management Fee Calculation Date**” means the last NAV Calculation Date in each calendar month.

“**Management Fee Payment Date**” means within ten (10) Business Days of the end of each calendar month.

“**Management Fee Percentage**” means zero point three per cent (0.3%) per annum.

- 5.8.4 The Portfolio Manager is authorised to utilise the Management Fee in discharge of payments to third parties for services provided by such third parties to the Portfolio Manager from time to time with respect to matters identified in a fee schedule provided by the Portfolio Manager to the Calculation Agent.

Description of the Ordinary Fees

- 5.8.5 The Issuer will incur fees in relation to the issuance of the Notes (“**Ordinary Fees**”). Such fees will include, but shall not be limited to the following (but shall exclude Extraordinary Fees, as defined below):

- (A) any fees, costs and expenses payable by the Issuer which are directly attributable to the Notes, including:
- (i) costs incurred in connection with the issuance, listing, clearing of the Notes and / or the performance of obligations in relation thereto;

- (ii) any commissions, fees, costs and expenses payable by the Issuer pursuant to the Constituting Instrument (including the agreements constituted thereby) and the Series Documents as defined therein;
 - (iii) any costs incurred due to the audit of the Issuer (such costs to be pro-rated across all series of the Issuer as determined by the Calculation Agent acting in its sole discretion);
 - (iv) any fees, costs and expenses of the administrator of the Issuer payable by the Issuer or the Programme Coordinator in respect of the Notes;
 - (v) any legal fees and disbursements payable by the Issuer, the Programme Coordinator or the Trustee to Mason Hayes and Curran LLP, A&L Goodbody LLP or any other legal advisers to the Issuer, the Programme Coordinator or the Trustee in respect of the issuance of the Notes; and/or
 - (vi) any other fees, costs or expenses designated by the Programme Coordinator, in its sole and absolute discretion, as “Ordinary Fees”;
- (B) a total of EUR 1,000 per annum to be retained by the Issuer (the “**Annual Retained Amount**”) in respect of all Series in issuance, a portion of which will be attributed to Galil ETP (Series 463) Notes due 2041 in an amount to be determined by the Calculation Agent acting in its sole and absolute discretion; and
- (C) in relation to any realisation of the Charged Assets, all commissions, fees, charges and expenses (including, without limitation, any stamp duty, documentary or transfer or other taxes or duties payable in respect of the sale or other realisation of any such Charged Assets) incurred or payable by the Charged Assets Realisation Agent in respect of such sale or other realisation, as certified by the Charged Assets Realisation Agent to the Issuer and the Trustee.

Any amounts payable under the Notes are based on the performance of the Charged Assets net of the fees, costs and expenses described above. The fees, costs and expenses will be applied in calculating the value of the Portfolio and therefore will result in a reduction in value of the Notes.

The Ordinary Fees shall be calculated as an annual fee in an amount equal to (i) 0.275% of the first USD 5,000,000 of the Net Asset Value of the Portfolio and (ii) 0.25% of any sum thereafter of the Net Asset Value of the Portfolio. The Ordinary Fees shall accrue monthly (based on the Net Asset Value as at each NAV Report Date) and shall be deducted from the Portfolio monthly on or about the last Business Day of each calendar month in each year that the Notes remain outstanding and on the date of the final redemption of the Notes. The Ordinary Fees are subject to a minimum payment of EUR 1,200 per month.

Payment of the Ordinary Fees

- 5.8.6 Ordinary Fees shall be paid by the Issuer out of the BNYM Operating Account. However, if the Issuer does not have sufficient funds in the BNYM Operating Account, the Issuer shall remain liable to pay such Ordinary Fees and may instruct the Charged Assets Realisation Agent to liquidate Charged Assets in the Custody Account or make deductions from Interest Amounts or Redemption Amounts in order to satisfy such liability.
- 5.8.7 Any amount standing to the credit of the BNYM Operating Account as of the end of the quarterly statement balance following payment in full of accrued Ordinary Fees shall be owed to the Programme Coordinator for its own account on or about the last Business Day of each calendar month in consideration for its services as Programme Coordinator of the Notes (the "**Programme Coordinator Fee**"), provided that the Programme Coordinator may, in its sole discretion, elect to receive a lesser sum than it is entitled to receive and leave all or a proportion of such funds in the BNYM Operating Account as a reserve to pay Ordinary Fees incurred in the future.

Description of the Extraordinary Fees

- 5.8.8 The Issuer may incur other fees (including but not limited to legal fees) in relation to the Notes ("**Extraordinary Fees**"). Such fees will include fees, costs, or expenses associated with or incurred by:
- (A) the early redemption or closing of the Series;
 - (B) amendments, corporate notices, tranches, redemptions, or restructuring of the Series that have been requested by the Portfolio Manager;
 - (C) any Event of Default or enforcement of security;
 - (D) any steps deemed necessary by the Programme Coordinator to ensure that the security interest over the Charged Assets is perfected and enforceable;
 - (E) waiver requests;
 - (F) fees incurred by local counsel to the Issuer in the jurisdiction(s) where the Charged Assets are located;
 - (G) any costs incurred in connection with potential, threatened or actual litigation in relation to the Notes; and/or
 - (H) any other matter deemed by the Programme Coordinator, acting in its sole and absolute discretion, to be 'extraordinary'.

Payment of the Extraordinary Fees

- 5.8.9 Any amounts payable under the Notes are based on the performance of the Charged Assets net of any Extraordinary Fees. The Portfolio Manager has agreed to pay such Extraordinary Fees. However, if such fees are not paid by the Portfolio Manager within ninety (90) Business Days of demand, the fees will be applied in calculating the value of the Portfolio and therefore will result in a reduction in value of the Notes. Unless paid

by the Portfolio Manager, the Issuer may deduct any outstanding Extraordinary Fees from Interest Amounts or Redemption Amounts and may, if so directed by the Programme Coordinator, instruct the Charged Assets Realisation Agent to liquidate or otherwise realise Charged Assets in order to pay for any outstanding Extraordinary Fees.

Determination and Payment of Interest

5.8.10 On the Interest Determination Date, the Calculation Agent shall calculate the amount of Interest owing on the Notes and shall inform the Trustee, Principal Paying Agent and Issuer of the amount payable and interest shall be paid in accordance with the Conditions and the Agency Agreement.

5.9 Further Issues

Pursuant to Master Condition 15 (Further Issues) as amended and supplemented by this Special Condition 5.9 (Further Issues), the Issuer shall be at liberty to issue Further Notes with the express intention that such Further Notes be consolidated and form a single series with the Notes (and with any subsequent Further Notes so issued) provided that the net proceeds of issue of such Further Notes shall be transferred to the Custody Account held with the Custodian to be invested in such Securities as the Portfolio Manager may in its sole discretion determine, and such proceeds shall form part of the Portfolio the subject of management by the Portfolio Manager on or about the same date as the date on which the Further Notes are issued.

5.10 Extended Maturity Date

The term of the Notes may be extended for further periods of up to ten (10) years, provided that, at the request of the Issuer, the Calculation Agent, on behalf of the Issuer, has given a notice (the “**Extension Notice**”) to the Trustee, the Principal Paying Agent and the Noteholders one (1) calendar month prior to the Maturity Date or any Extended Maturity Date, if applicable, stating that such extension shall take place in respect of the Notes. If no Extension Notice, or no further Extension Notices (if applicable) are delivered by the Calculation Agent, the Notes shall be redeemed on the Maturity Date or on the date stated in the final Extension Notice (such date being the “**Extended Maturity Date**”).

5.11 Events of Default

An Event of Default under Condition 4.1.1 shall occur if

- (A) the Early Redemption Payment Date does not occur within ninety (90) days of the relevant Early Redemption Date or
- (B) the Final Maturity Payment Date does not occur within ninety (90) days of the Maturity Date or Extended Maturity Date, as applicable.

5.12 Noteholder Direction

The Programme Coordinator may, in its absolute discretion, request direction to the Issuer and Trustee from the Noteholders by way of Noteholder Direction.

5.13 Redemption Amount of Notes

All references to “Administration Agent” in Condition 2.4.6 shall be replaced by references to the “Calculation Agent”.

5.14 Cancellation

Condition 2.9 (Cancellation) shall be amended by deletion of the following wording beginning in the second line:

“, and if so directed by the Arranger shall,”.

6 USE OF PROCEEDS

The entire net proceeds from the issue of the Notes and any Further Notes, will be invested by the Issuer in the Custody Account, subject to the management of the Portfolio Manager on or as soon as practical following the date on which Notes or Further Notes are subscribed for.

7 INFORMATION RELATING TO THE CHARGED ASSETS

7.1.1 General

The Issuer will use the proceeds of the Notes to invest in the Custody Account and, acting through the Portfolio Manager, invest in certain Securities from time-to-time. The Portfolio Manager will be responsible for identifying or selecting Securities and investment opportunities for investment, subject to the Management Criteria.

7.1.2 Securities

The Portfolio Manager may invest in Securities that meet the Management Criteria. The Management Criteria are set out in the Portfolio Management Agreement.

The Management Criteria include an Investment Strategy, whose objective (as more particularly set out in the Portfolio Management Agreement) is to maximise the total returns achieved by the Portfolio by long term growth and preservation of capital to be achieved by the reinvestment of bond coupon payments and proper geographical duration and issuer diversification. The Portfolio asset allocation should be as follows: 30-100% in bonds, 0-50% in equity and equity linked structured products, 0- 20% in cash, and 0-10% in alternatives. There should not be short-term liquidity needs and the target return should be between 5-7%.

7.1.3 Portfolio Manager

The Securities held in the Custody Account will be managed by the Portfolio Manager. A description of the Portfolio Manager is set out under ‘*Information relating to the Portfolio Management Agreement*’ below.

8 DESCRIPTION OF THE ACCOUNTS

8.1.1 General

BNYM Unwind Custody Account

The BNYM Unwind Custody Account is established pursuant to the Unwind Account Custody Agreement. The BNYM Unwind Custody Account is a cash and securities account held by the Issuer with The Bank of New York Mellon, London branch and may hold cash relating to one or more Series, including this Series. The subscription proceeds of the Notes from Noteholders are paid into this account. The proceeds of any Redemption Amount are paid to the Noteholders from this account.

BNYM Interest Account

The BNYM Interest Account is established pursuant to the Account Bank Agreement. The BNYM Interest Account is a cash account held by the Issuer with the Account Bank and may hold cash relating to one or more Series, including this Series. Interest Amounts are paid to Noteholders from this account.

BNYM Operating Account

The BNYM Operating Account is established pursuant to the Account Bank Agreement. The BNYM Operating Account is a cash account held by the Issuer with the Account Bank and may hold cash relating to one or more Series, including this Series. The Ordinary Fees shall be paid by the Issuer from this account, as further described in Special Condition 5.8 (Fees).

Custody Account

The Custody Account is established pursuant to the Custody Agreement. The Custody Account will hold assets in respect of the Notes only and no other Series. Investments in the securities by the Portfolio Manager will be made from this account.

Relationship between the various Accounts - subscription

The subscription proceeds of the Notes will be first deposited into the BNYM Unwind Custody Account. As soon as reasonably practicable, the subscription proceeds will be transferred from the BNYM Unwind Custody Account to the Custody Account.

Relationship between the various Accounts - redemption

The proceeds of any Redemption Amount or Interest Amount payable to the Noteholders shall be transferred from the Custody Account into the BNYM Unwind Custody Account as soon as reasonably practicable. The Redemption Amount or Interest Amount will be paid to Noteholders from the BNYM Unwind Custody Account.

8.1.2 Custody Account

Under the Custody Agreement, the Portfolio Manager as authorised representative of the Issuer pursuant to the Custody Agreement, may buy or sell securities or other products from cash held in the Custody Account or to be held in the Custody Account, as applicable.

The Custody Account is to be used to invest in securities or other products.

Pursuant to the Custody Agreement, the Issuer is required to grant to the Custodian a lien over the Securities held in the Custody Account and right of set-off over and against any cash accounts held by the Issuer under the Custody Agreement. The

security interests and right of set-off described in this paragraph are granted by the Issuer to secure the performance of obligations and liabilities to the Custodian under the Custody Agreement or any other agreement.

The Issuer's obligations shall include any and all indebtedness, liabilities or other obligations (including unmatured and contingent obligations) now or hereafter owed by the Issuer to the Custodian.

Notwithstanding anything in the Custody Agreement or any other agreement to the contrary, the Custodian shall not be responsible or liable for any delay or failure to perform under the Custody Agreement or for any losses to the Custody Account resulting, in whole or in part, from or caused by any event beyond the reasonable control of the Custodian or any relevant nominee company, BNYM affiliate, subcustodian or depository (as applicable), including without limitation; strikes, work stoppages, acts of war, epidemic, terrorism, acts of God, governmental actions, exchange or currency controls or restrictions, devaluations or fluctuations, interruption, loss or malfunction of utilities, communications or any computer (software or hardware) services, the application of any law or regulation in effect now or in the future, or any event in the country in which Securities are held, (including, but not limited to, nationalisation, expropriation or other governmental actions, regulation of the banking or securities industry, sanctions imposed at national or international level or market conditions which prevent the transfer of Securities or the execution of securities transactions or which affect the value of the Securities) which may affect, limit, prohibit or prevent the transferability, convertibility, availability, payment or repayment of any Securities or sums until such time as such law, regulation or event shall no longer affect, limit, prohibit or prevent such transferability, convertibility, availability, payment or repayment and in no event shall the Custodian be obliged to substitute another currency for a currency whose transferability, convertibility or availability has been affected, limited, prohibited or prevented by such law, regulation or event. In no event shall the Custodian be liable for any Losses arising out of the holding of the Securities or cash in any particular country, including but not limited to, losses resulting from nationalisation, expropriation or other governmental actions; regulation of the banking or securities industry; exchange or currency controls or restrictions, devaluations or fluctuations; the availability of the relevant Securities or Cash or market conditions which prevent the transfer of Securities or cash or the execution of securities transactions or which affect the value of Securities.

8.1.3 Investment in the Custody Account

By investing in the Custody Account, the Issuer will purchase certain Securities with the proceeds of the issuance and subscription of the Notes according to the Management Criteria.

8.1.4 Custodian

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situated at 225 Liberty Street, New York, NY 10286, United States and having a branch registered in England and Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

Any holder of the Notes will have claims against the Issuer only, and shall not have

any rights directly against the Custodian.

9 DESCRIPTION OF THE SECURITY ARRANGEMENTS IN RESPECT OF THE NOTES

9.1.1 Introduction

The Notes will be secured, limited recourse obligations of the Issuer. The purpose of this section is to provide further information in respect of these important features of the Notes, which are included in the Conditions. However, the following description is a summary only of certain aspects of the security arrangements and is subject in all respects to the terms of the Trust Deed, the Constituting Instrument, the Charging Instrument, the Programme Accounts Security Agreement and the Conditions of the Notes, of which Noteholders are deemed to have notice and by which they are bound.

The Issuer will, pursuant to the provisions of the Trust Deed, grant the security described below to the Trustee as continuing security for the payment of all sums due under the Trust Deed and the Notes. The Trustee shall hold such Security on behalf of itself and the Secured Parties (including the Noteholders).

9.1.2 Custodian

The Security is subject to a lien and right of set-off retained by the Custodian over the assets held in the Custody Account, which in each case rank in priority to any security interests created by either the Constituting Instrument or the Charging Instrument.

9.1.3 Security arrangements

The Notes will be secured by a charge over the Custody Account, the Custody Agreement and the Related Rights obtained with the entire net proceeds of the issue of the Notes in favour of the Trustee for itself and as trustee for the Secured Parties (which includes the Noteholders).

Under the Trust Deed, as amended by the terms of the Constituting Instrument, the Issuer, in favour of the Trustee for itself and as trustee for the Secured Parties, and as continuing Security, will:

- (A) charge by way of fixed charge in favour of the Trustee for itself and as trustee for the Secured Parties the Charged Assets, and in respect of the Charged Assets all debts represented thereby, all rights and thereof and the right to payment of all interest and other moneys in respect thereof and all rights to the delivery thereof or to an equal number or nominal amount thereof as against any clearing system or its operator or any depository thereof;
- (B) charge by way of fixed charge and assign by way of fixed security in favour of the Trustee for itself and as trustee for the Secured Parties all its rights, title and interest in and to all rights in respect of the Charged Assets;

- (C) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights, title, benefit and interest in, to and under the Account Bank Agreement, the Unwind Account Custody Agreement, any accounts held pursuant thereto and all sums derived therefrom to the extent that the same relate to the Notes (and no other Series);
- (D) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured parties the Custody Account with account number 209355;
- (E) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights against the Custodian with respect to (a) the Charged Assets under the Custody Agreement and (b) any moneys and / or other assets received under the Custody Agreement or in respect of such Charged Assets;
- (F) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all funds and any other assets now or hereafter standing to the credit of the account of the Principal Paying Agent in respect of the Notes and the debts represented by such moneys;
- (G) assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights, title, benefit and interest in, to and under the Agency Agreement, the Placing Agreement and the Arrangement Agreement and charge by way of fixed charge all sums derived therefrom; and
- (H) assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties (other than the Portfolio Manager, if any) all of the Issuer's rights, title, benefit and interest in, to and under the Portfolio Management Agreement and charge by way of fixed charge all sums derived therefrom,

in each case on terms that the Trustee shall hold the proceeds of such security for itself and on trust for the Secured Parties.

As continuing security for the due payment, performance and discharge of the Notes the Issuer as legal and beneficial owner will charge by way of floating charge in favour of the Trustee for itself and on trust for the Secured Parties all of the Mortgaged Property which are not effectually charged or assigned as described above.

9.1.4 **Charging Instrument**

The Issuer will grant in favour of the Trustee, as security for itself, and the

Secured Parties an English law governed security interest over the Custody Account and the Custody Agreement pursuant to the English law governed security assignment of contractual rights over bank account (relating to the Custody Account) entered into between the Issuer and the Trustee on or about the Issue Date (the “**Charging Instrument**”).

9.1.5 **Programme Accounts Security Agreement**

The Issuer has granted security over the Account Bank Agreement, Unwind Account Custody Agreement and any accounts held pursuant thereto in favour of the Trustee, as security for itself and the Secured Parties, pursuant to the Programme Accounts Security Agreement in respect of the Issuer’s obligations to the Trustee in respect of all Series under the HFMX Programme. Pursuant to a deed of confirmation, the Issuer will confirm to the Trustee that the Programme Accounts Security Agreement charges the Account Bank Agreement, Unwind Account Custody Agreement and any accounts held pursuant thereto in favour of the Trustee in respect of the Issuer’s obligations under Series 463 Galil.

9.1.6 **Enforcement**

The Mortgaged Property may become enforceable if the Notes or any of them have become due and repayable (for example, due to acceleration following the occurrence of an Event of Default) and have not been repaid.

In such circumstances the Trustee at its discretion may, and if so directed by the relevant parties shall, upon being indemnified, secured and / or prefunded to its satisfaction, realise the Charged Assets. In realising the Charged Assets the Trustee may, but shall not be obliged to, procure the sale of the Charged Assets or may request the redemption of the Charged Assets if the Charged Assets allow for such request.

9.1.7 **Priority of claims and potential for insufficient security on sale of Charged Assets and / or on enforcement**

In the event that any Charged Assets are required to be sold pursuant to the Conditions or the security constituted by the Trust Deed, the Constituting Instrument and / or the Charging Instrument becomes enforceable in accordance with the Conditions, the net sums realised could be insufficient to pay all the amounts due to the Noteholders under the Notes. The sums realised from any such sale of the Charged Assets will be subject to deduction of the costs and expenses associated with such sale. In addition, all costs and expenses incurred by the Trustee in enforcing the Security (including any costs of a receiver or similar official) and amounts due to the Agents, the Programme Coordinator and any fees and expenses will be deducted from the proceeds of such enforcement before such proceeds are paid to the Noteholders. After taking action to enforce the security as provided in the Conditions, the Trustee shall not be entitled to take any further steps against the Issuer to recover any sum still unpaid and no debt shall be owed by the Issuer in respect of such sum. In particular, no Agent, Noteholder or other Transaction Participant may petition or take any other step for the winding-up of the Issuer nor shall any of them have any claim in respect of any sum over or in respect of any assets of the Issuer which are security for any other liability of the Issuer.

9.1.8 **Limited recourse provisions**

The Trustee, the Agents and the Noteholders (in each case to the extent that their claims are secured) shall have recourse only to the Charged Assets. If, the Trustee having realised the Charged Assets, the proceeds thereof are insufficient for the Issuer to make all payments then due to all such parties, the obligations of the Issuer will be limited to such proceeds of realisation of the Charged Assets and no other assets of the Issuer will be available to meet such shortfall; the Trustee, the Agents, the Programme Coordinator, the Noteholders or anyone acting on behalf of any of them shall not be entitled to take any further steps against the Issuer to recover any further sum and no debt shall be owed to any such persons by the Issuer. The Trustee (including any costs of a receiver or similar official), the Programme Coordinator and the Agents shall rank prior to the Noteholders in the application of all moneys received in connection with the realisation or enforcement of the security. In particular, none of the Trustee, the Programme Coordinator and the Agents or any holder of the Notes may petition or take any other step for the winding-up of the Issuer, and none of them shall have any claim in respect of any sum arising in respect of the Charged Assets for any other Series.

10 **INFORMATION RELATING TO THE PORTFOLIO MANAGEMENT AGREEMENT**

The below summary is qualified in its entirety by the terms of the Portfolio Management Agreement, which will be available during business hours on any day (Saturdays, Sundays and public holidays excepted) for inspection at, and collection of copies from, the registered office of the Issuer for as long as the Notes are outstanding.

10.1.1 **Portfolio Management Agreement**

The Portfolio Management Agreement sets out the terms and conditions of the appointment of the Portfolio Manager.

The Portfolio Manager shall be obliged to perform its obligations under the Portfolio Management Agreement in accordance with the terms of the Portfolio Management Agreement and shall be obliged to use all reasonable endeavours, in the course of carrying out such obligations, to pursue any strategy that it deems fit pursuant to the Investment Strategy and Management Criteria as set out in the Portfolio Management Agreement. The Portfolio Manager shall be obliged to manage the buying and / or selling of Securities pursuant to the Custody Agreement and the Portfolio Management Agreement.

10.1.2 **Portfolio Manager**

The Issuer has appointed Futura Asset Advisors LLC as the Portfolio Manager in respect of the Notes pursuant to the Portfolio Management Agreement. The role of the Portfolio Manager is to actively manage the Portfolio by the buying and / or selling of Securities pursuant to the Custody Agreement entered into between the Issuer and the Custodian.

Futura Asset Advisors LLC is a Limited Liability Company incorporated under the laws of Florida, USA on April 12, 2005. The Portfolio Manager is a regulated entity in the United States by the Securities and Exchange

Commission (SEC) as an Investment Adviser Firm, under CRD#: 136285.

The holder of the Notes will have claims against the Issuer only, and shall not have any rights directly against the Portfolio Manager.

10.1.3 Fees

The fees payable to the Portfolio Manager are described in Special Condition 5.8 (Fees).

11 INFORMATION RELATING TO THE PROGRAMME COORDINATOR, CHARGED ASSETS REALISATION AGENT AND CALCULATION AGENT

FlexFunds ETP, LLC is the Programme Coordinator in respect of the Notes, and as such is responsible for certain management and administrative functions in relation to the Notes.

The Issuer and the Programme Coordinator have agreed that each of the matters which are the subject of the services and duties to be provided by the Programme Coordinator shall remain subject to the control and supervision of the Issuer. In this regard, notwithstanding anything to the contrary in the Transaction Documents or the Conditions of the Notes, prior to exercising any authority granted to it under the terms of the Transaction Documents or the Conditions of the Notes to give any direction, to make any determination or to exercise any other discretion, which direction, determination or exercise of such discretion would require the Issuer to take any action, the Programme Coordinator shall consult with the Issuer and shall not exercise such authority without the prior consent of the Issuer. When consulting with the Issuer, the Programme Coordinator shall make recommendations to the Issuer but any decision of whether to grant its consent shall be made by the Issuer in its absolute discretion. Any purported exercise by the Programme Coordinator of any authority without first procuring the prior consent of the Issuer in circumstances where such prior consent is required shall be void and of no effect. Nothing however shall require the Programme Coordinator to receive the consent of the Issuer to resign or terminate its appointment in accordance with the terms of the Transaction Documents.

FlexFunds ETP, LLC is the Calculation Agent in respect of the Notes, and as such is responsible for certain management and administrative functions in relation to the Notes.

As Charged Assets Realisation Agent, FlexFunds ETP, LLC is responsible to the Issuer for taking any steps in order to realise the Charged Assets as required for the purposes of the Notes. The Charged Assets Realisation Agent shall, on behalf of the Issuer, sell or procure the sale or other means of realisation of the Charged Assets and shall be entitled to deduct any costs, expenses, taxes and duties incurred in connection with any disposal, realisation or transfer of such Charged Assets.

The Charged Assets Realisation Agent may sell or procure the sale or other means of realisation of the Charged Assets in such manner and to and / or involving such person as it thinks fit and shall be entitled to sell and procure the sale or other means of realisation of the Charged Assets at such price in its sole discretion. The Charged Assets Realisation Agent shall not be responsible or liable for any failure to sell or realise the Charged Assets or any delay in doing so nor for any loss suffered or incurred by any person as a result of their sale or other means of realisation.

FlexFunds ETP LLC is a Miami based investment services company. The company administers the HFMX Programme with all participants, prepares the notes for issuance and coordinates the relations and activities between the HFMX Programme participants and managers of the Charged Assets. FlexFunds ETP LLC has a presence in Miami.

The Calculation Agent may at any time resign and the Issuer may at any time terminate its appointment, subject to giving sixty (60) days' prior written notice subject to and in accordance with the terms of the Agency Agreement. In such case the Issuer would, with the prior written consent of the Trustee, appoint a successor.

The holder of the Notes will have claims against the Issuer only, and shall not have any rights directly against the Programme Coordinator or any Agent of the Issuer.

The fees payable to FlexFunds ETP, LLC. as the Programme Coordinator are described in Special Condition 5.8 (Fees) of the Notes.

12 INFORMATION RELATING TO THE BACK OFFICE AGENT AND BROKER DEALER OF RECORD

GWM LTD has been appointed as Back Office Agent, and as such are responsible for certain management and administrative functions in relation to the Notes. GWM LTD as Back Office Agent has an administrative role and their main function is to coordinate the subscription and redemption trades between the Issuer and purchasers of the Notes.

GWM LTD will not be able to confirm any buy orders or sell orders on behalf of the Issuer if the Calculation Agent cannot provide them with a Net Asset Value.

GWM LTD as Back Office Agent has no control over the Net Asset Value calculations and do not verify the Net Asset Value calculations received from the Calculation Agent.

GWM LTD has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking is made, whether express or implied, and no responsibility or liability is accepted by GWM LTD as to the accuracy, completeness or nature of the information contained in this Series Memorandum or any other document in relation to the HFMX Programme or with respect to the legality of investment in the Notes by any prospective investor or purchaser under applicable laws or regulations.

GWM LTD shall not, under any circumstances, be responsible for, or obliged to monitor or verify or investigate the performance or operation of any party appointed in relation to the HFMX Programme.

GWM LTD as Back Office Agent will not be allowed to confirm any transactions on behalf of the Issuer without the Issuer's approval.

GWM LTD, as Back Office Agent shall not, under any circumstances, be responsible for, or obliged to monitor or verify the performance or operation of the Issuer. Furthermore, GWM LTD, as Back Office Agent shall not be liable (whether directly or indirectly, in contract, in tort or otherwise) to the Issuer, any Noteholder or any other party to the HFMX Programme or any person for any loss incurred by such person that arises out of or in connection with the performance by GWM LTD, as Back Office Agent, provided that nothing shall relieve GWM LTD, as Back Office

Agent from any loss arising by reason of acts or omissions constituting bad faith, fraud or gross negligence of the Back Office Agent.

GWM LTD's role with respect to the HFMX Programme is limited to its function as Back Office Agent only with respect to the Notes. GWM LTD, as Back Office Agent is not, under any circumstances whatsoever, obliged to make a market for the Notes or to provide liquidity in the secondary market with respect to the Notes.

GWM LTD as Back Office Agent has the right to refuse to process orders for any counterparty at its own discretion.

GWM LTD as Back Office Agent will limit its interaction to regulated financial institutions. GWM LTD cannot interact with retail clients.

GWM LTD as Back Office Agent do not provide investment or tax advice.

GWM LTD was incorporated in Bermuda in December 2014 and is licensed to conduct investment business by the Bermuda Monetary Authority.

The Bermuda Monetary Authority granted approval to GWM LTD for a license under section 16 of the Investment Business Act 2003. As Back Office Agent, GWM LTD has agreed to comply with all duties and responsibilities set out in the Conditions of the Notes, and to strictly adhere to the Selling Restrictions. As Back Office Agent, GWM LTD has not verified any of the series documentation content.

As Back Office Agent, GWM LTD has agreed to comply with all duties and responsibilities set out in the Conditions of the Notes, and to strictly adhere to the Selling Restrictions.

The holder of the Notes will have claims against the Issuer only, and shall not have any rights directly against the Back Office Agent.

13 INFORMATION RELATING TO THE ISSUER

13.1.1 General

The Issuer was incorporated in Ireland as a designated activity company on 10 July 2018, with registration number 630060 under the name HFMX Designated Activity Company, under the Companies Acts 2014 as amended.

The registered office of the Issuer is at 1-2 Victoria Buildings, Haddington Road, Dublin 4. The e-mail address of the Issuer is ie-hfmx@intertrustgroup.com / Ireland.Directors@intertrustgroup.com. The authorised share capital of the Issuer is EUR 1,000 divided into 1,000 Ordinary Shares of EUR 1 (the "**Shares**"). The Issuer has issued 1 Share, which is fully paid. The issued Share is held by Intertrust Corporate Services 2 (Ireland) Limited (the "**Share Trustee**"). The Share Trustee owns the Issued Share under the terms of a declaration of trust (the "**Declaration of Trust**") dated 10 July 2018, under which the Share Trustee holds the issued Share respectively of the Issuer on trust for charitable purposes.

The Issuer has been established as a special purpose vehicle. The principal objects of the Issuer to carry raise finance through the issuance

of debt securities or loan facilities and use the proceeds to enter into financial transactions including, without limitation, acquiring, holdings, selling and disposing of personal property and all related activities.

The Issuer is not, and will not be, regulated by the Central Bank of Ireland (the “**Central Bank**”) by virtue of the issue of the Notes. Any investment in the Notes does not have the status of a bank deposit and is not subject to the deposit protection scheme operated by the Central Bank.

The Issuer has not underwritten and will not underwrite the issue of, place, offer, or otherwise act in respect of the Notes, otherwise than in conformity with the provisions of all laws applicable in the jurisdiction in which the Notes are offered.

13.1.2 **Directors and company secretary**

The Directors of the Issuer are as follows:

- Robert Browne
- Gustavo Nicolosi

The Company Secretary is Intertrust Finance Management (Ireland) Limited.

Intertrust Finance Management (Ireland) Limited is the administrator of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the administrator may be terminated forthwith if the administrator commits any material breach of the corporate service agreement between the Issuer and the administrator, or if the administrator is unable to pay its debts as they fall due or if the administrator becomes subject to insolvency or other related proceedings. The administrator may retire upon ninety (90) days’ written notice subject to the appointment of an alternative administrator on similar terms to the existing administrator. The business address of the administrator is 1-2 Victoria Buildings, Haddington Road, Dublin 4.

The auditors of the Issuer are Deloitte Ireland LLP who are chartered accountants qualified to practice in Ireland.

13.1.3 **Financial statements**

At the date of this Series Memorandum, the Issuer has not published any financial statements. The Issuer’s financial year-end is June 30th. Annual financial statements of the Issuer will be prepared within twenty-eight (28) days of the annual return date of the Issuer and will be filed with the Irish Companies Registration Office.

13.1.4 **Authorisation**

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed prior to the Issue Date.

13.1.5 **Litigation**

There are no legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a significant effect on the Issuer's financial position.

14 INFORMATION RELATING TO THE TRUSTEE

The Trustee shall not be responsible for, or be obliged to monitor or verify or investigate:

- (A) the performance, operation or calculation of the Portfolio or other element of the calculation thereof but shall be entitled to rely absolutely on any calculation thereof by the Calculation Agent;
- (B) the performance, operations or financial condition of the Custodian or the terms of the Charged Assets or the calculation of amounts payable in respect thereof;
- (C) the performance by the Custodian, the Portfolio Manager or the Issuer of any of their respective obligations under the Custody Agreement or the Portfolio Management Agreement or any other agreement relating to, or in connection with, the Portfolio or the Custody Account and shall be entitled to assume that each of them is in compliance with the terms thereof unless and until expressly notified to the contrary in writing by the Issuer or the Calculation Agent;
- (D) whether or not any Additional Mandatory Redemption Event or any Event of Default has occurred and shall be entitled to assume that no such event has occurred unless and until expressly notified to the contrary in writing by the Issuer or the Calculation Agent; or
- (E) save to the extent caused by its own gross negligence or wilful default the Trustee shall not be responsible or liable for any failure to sell, realise or redeem the Charged Assets or any delay in doing so nor for any loss suffered or incurred by any person as a result of the Net Proceeds, the Sale Proceeds or any other proceeds of sale, realisation or redemption of the Charged Assets being insufficient to discharge any Redemption Amount or Early Redemption Amount in full.

15 SELLING RESTRICTIONS

In addition to the Selling Restrictions set out in the Programme Memorandum the restrictions set out below shall apply.

United States

The Notes have not been and will not be registered under the U.S Securities Act of 1933, as amended, and may not be directly or indirectly offered or sold in the United States or to or for the benefit of any U.S person (as defined in Regulation S) unless the securities are registered under the Securities Act of 1933, or an exemption from the registration requirements of the Securities Act of 1933 is available.

Where:

"U.S person" means a "*US person*", as the term is defined in Regulation S under the Securities Act of 1933 (as amended from time to time) and more particularly are references to: (i) any natural person that resides in the U.S; (ii) any entity organised or incorporated under the laws of the U.S; (iii) any entity organised or incorporated outside the U.S that was formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act of 1933, unless it is organised or incorporated, and owned, by accredited investors (as

defined in Section 501 of Regulation D promulgated under the Securities Act of 1933) who are not natural persons, estates or trusts; (iv) any estate of which any executor or administrator is a US person ; (v) any trust of which any trustee is a U.S person; (vi) any agency or branch of a foreign entity located in the U.S; or (vii) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; and (viii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or resident in the U.S.. For the purposes hereof, the term **“U.S person”** shall not include any discretionary or non-discretionary account (other than an estate or trust) held for the benefit or account of a non-U.S person by a dealer or other professional fiduciary organised or incorporated in the US. The term **“U.S person”** includes entities that are subject to the U.S Employee Retirement Income Securities Act of 1974, as amended, or other tax-exempt investors or entities in which substantially all of the ownership is held by U.S persons.

EEA

Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **“distributor”**) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor within the European Economic Area (**“EEA”**). For these purposes, a retail investor means a person who is one (or more) of:

- a) a "Retail client" as defined in point (11) of Article 4(1) of MiFID II;
- b) (a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- c) not a qualified investor as defined in the Prospectus Regulation.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **“PRIIPs Regulation”**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

In relation to each Relevant Member State, an offer of Notes to the public has not and may not be made in that Relevant Member State. Without limitation of the foregoing, if Notes are offered in any Relevant Member State, any such offer can only be made to investors who acquire Notes for a total consideration of at least €100,000 per investor for each separate offer (or if the Notes are denominated in a currency other than Euro, the equivalent of €100,000 in such other currency).

United Kingdom

Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**“COBS”**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**“EUWA”**); and (ii) all channels for distribution of the notes to eligible counterparties and

professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of:

- a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA;
- b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
- c) not a qualified investor as defined in the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by the PRIIPS Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

An offer of Notes to the public has not and may not be made in the UK. Without limitation of the foregoing, if Notes are offered in the UK, any such offer can only be made to investors who acquire Notes for a total consideration of at least €100,000 per investor for each separate offer (or if the Notes are denominated in a currency other than Euro, the equivalent of €100,000 in such other currency).

Public Offering

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Programme Memorandum, this Series Memorandum or any part thereof or any other offering material, in any country or jurisdiction where action for that purpose is required.

NO OFFER, SALE OR DELIVERY OF THE NOTES, OR DISTRIBUTION OR PUBLICATION OF ANY OFFERING MATERIAL RELATING TO THE NOTES, MAY BE MADE IN OR FROM ANY JURISDICTION EXCEPT IN CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. ANY OFFER OR SALE OF THE NOTES SHALL COMPLY WITH THE SELLING RESTRICTIONS AS SET OUT IN THE ISSUER’S OFFERING DOCUMENTS AND ALL APPLICABLE LAWS AND REGULATIONS.

16 GENERAL INFORMATION

For so long as the Notes remain outstanding, the following documents will be available in physical form from the date hereof during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for inspection at the registered office of the issuer and the specified office of the Principal Paying Agent in London:

- (a) the Master Documents which are incorporated by reference by the Constituting Instrument so as to constitute the Trust Deed, Agency Agreement, Arrangement Agreement, Placing Agreement, Broker Dealer of Record Agreement and the Portfolio Management Agreement with respect to the Notes (to the extent not otherwise amended, modified and / or supplemented by the Constituting Instrument);
- (b) any deed or agreement supplemental to the Master Documents;
- (c) the Programme Memorandum;
- (d) the Certificate of Incorporation and the Memorandum and Articles of Association of the Issuer;
- (e) the Constituting Instrument;
- (f) the Charging Instrument; and
- (g) the Custody Agreement.

ISSUER

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CALCULATION AGENT**

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**BACK OFFICE AGENT AND BROKER
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PORTFOLIO MANAGER

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