

FINAL TERMS  
dated 04 July 2016

# TIMBERLAND SECURITIES INVESTMENT PLC

(INCORPORATED AS A PUBLIC LIMITED LIABILITY COMPANY UNDER THE LAWS OF MALTA)

Issue of Series 8 Fixed Rate Registered Notes  
(the Securities)

Issue Date: 22 August 2016

Series Number: 08-01/2016 (2016-2026)

Legal Counsel

CAMILLERI PREZIOSI  
ADVOCATES

ALLEN & OVERY



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These final terms (the **Final Terms**) have been prepared for the purposes of Article 5 para. 4 of the Directive 2003/71/EC, as amended (the **Prospectus Directive**). In order to get the full information the Final Terms are to be read together with the information contained in (a) the base prospectus of Timberland Securities Investment plc (the **Issuer**) dated 4 July 2016 for the issuance of Series 5 Contingent Capital Fixed Rate Bearer Notes, Series 6 Contingent Capital Fixed Rate Registered Notes, Series 7 Fixed Rate Bearer Notes and Series 8 Fixed Rate Registered Notes (the **Base Prospectus**), (b) any supplements to this Base Prospectus (the **Supplements**), and (c) all other documents whose information is incorporated herein by reference. The Final Terms consist of three parts: Part I – General Information; Part II – Terms and Conditions of the Securities; and Part III – Noteholder Meeting Provisions. A summary of the individual issue of the Notes is annexed to these Final Terms.

The Base Prospectus, any Supplements and these Final Terms are available at the office of the Issuer and in addition in printed version free of charge at Timberland Invest Ltd., Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and Timberland Capital Management GmbH, Huettentallee 137, 47800 Krefeld, Germany, and in addition on the website [www.timberland-malta.com](http://www.timberland-malta.com) or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer.

The Base Prospectus will no longer be valid on 3 July 2017. From that date onwards, the Final Terms are to be read together with the latest valid version of the Base Prospectus for the issuance of Series 5 Contingent Capital Fixed Rate Bearer Notes, Series 6 Contingent Capital Fixed Rate Registered Notes, Series 7 Fixed Rate Bearer Notes and Series 8 Fixed Rate Registered Notes succeeding the Base Prospectus. This particularly applies to section "Description of the Parties". The latest valid version of the Base Prospectus is available at the office of the Issuer and in addition in printed version free of charge at Timberland Invest Ltd., Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and Timberland Capital Management GmbH, Huettentallee 137, 47800 Krefeld, Germany and in addition on the website [www.timberland-malta.com](http://www.timberland-malta.com) or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer. No non-exempt offer of the Securities under these Final Terms will be made unless there is a valid version of the Base Prospectus.

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## PART I – GENERAL INFORMATION

<b>ISIN:</b>	Not applicable.
<b>Other security identification code:</b>	TS0108
<b>Aggregate principal amount:</b>	The aggregate principal amount of Notes to be offered for subscription will be of a maximum of EUR 15,000,000 plus an overallotment option of EUR 5,000,000, in total EUR 20,000,000
<b>Subscription price:</b>	EUR 1,000
<b>Selling commission:</b>	None
<b>Other commissions:</b>	None
<b>Expenses and taxes specifically charged to the subscriber or purchaser:</b>	None
<b>Use of proceeds:</b>	See the subsection “Use of Proceeds” in the Base Prospectus.
<b>Net proceeds:</b>	Up to EUR 20,000,000
<b>Estimated total expenses:</b>	Estimated total expenses in respect of the aggregate maximum amount of € 20,000,000 to be offered under these Final Terms will amount to approximately EUR 400,000 and will be borne by the Issuer.
<b>Indication of yield:</b>	5.40 percent per annum
<b>Material interests, including conflicting ones, of natural and legal persons involved in the issue/offer:</b>	Safe for the Distributors’ entitlement to fees payable in connection with the offer of Notes, so far as the Issuer is aware, no person involved in the offer of the Notes has any other interest that is material to the offer.
<b>Jurisdictions, in which non-exempt offer may take place:</b>	Non-exempt offers may be made in the Republic of Austria, the Federal Republic of Germany, the Republic of Ireland, the Principality of Liechtenstein, the Grand Duchy of Luxembourg, the Republic of Malta, and the United Kingdom of Great Britain and Northern Ireland.
<b>Conditions, to which the offer is subject:</b>	Not applicable
<b>Underwriting:</b>	The Securities will be underwritten under best efforts arrangements by the following Distributors: Timberland Invest Ltd., 171, Old Bakery Street, Valletta VLT 1455, Malta and Timberland Capital Management GmbH, Huettenallee 137, 47800 Krefeld, Germany and the agents appointed by the Distribution Agents for this purpose. 100 percent of the issue is not underwritten.

<b>Minimum amount of application:</b>	EUR 3,000
<b>Maximum amount of application:</b>	EUR 20,000,000
<b>Manner and date in which results of the offer are to be made public:</b>	The results of the offer are to be made public 10 working days after closing of subscription.
<b>Method and time limits for paying up the Securities and for delivery of the Securities:</b>	<p>The delivery of the Securities shall be against payment on 22 August 2016.</p> <p>The appropriate number of Securities shall be credited to the Noteholder's account in accordance with the rules of the corresponding Clearing System.</p>
<b>Admission to trading:</b>	Not applicable.
<b>Offer period during which subsequent resale or final placement of the Securities can be made:</b>	The Securities will initially be offered during a subscription period, and continuously offered thereafter. Subscription period: 07 July 2016 – 11 August 2016 (6 p.m. local time).
<b>Consent to the use of the Base Prospectus:</b>	<p>The Issuer consents to the use of the Base Prospectus by all financial intermediaries (so-called general consent).</p> <p>General consent for the subsequent resale or final placement of Securities by the financial intermediaries is given in relation to the Republic of Austria, the Federal Republic of Germany, the Republic of Ireland, the Principality of Liechtenstein, the Grand Duchy of Luxembourg, the Republic of Malta, and the United Kingdom of Great Britain and Northern Ireland.</p>
<b>Website, on which any new information unknown at the time the Base Prospectus was approved or these Final Terms were filed with the relevant competent authority/authorities will be published:</b>	www.timberland-malta.com (or any successor or replacement address thereto, in which case an automatic redirection will be ensured by the Issuer).
<b>Clearing System, Custody:</b>	Not applicable.

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## PART II – TERMS AND CONDITIONS OF THE SECURITIES

### OPTION VIII – TERMS AND CONDITIONS OF THE SERIES 8 FIXED RATE REGISTERED NOTES

#### 1. CURRENCY, DENOMINATION, FORM, CLEARING SYSTEM

##### 1.1 Currency, Denomination

This tranche (the **Tranche**) of series 8 fixed rate notes (the **Notes**) is being issued by Timberland Securities Investment plc (the **Issuer**) in Euro (**EUR**) (the **Specified Currency**) in the aggregate principal amount of 20,000,000 (in words: Euro twenty million) in the denomination of EUR 1,000 (or the equivalent in other currencies) (the **Specified Denomination**).

##### 1.2 Form

(a) The Notes are being issued in registered form and may under no circumstances be converted into a note in bearer form.

(b) The Issuer may issue Notes for no consideration to be held by the Issuer with a view to selling those Notes on the secondary market. All determinations made under these Terms and Conditions will reflect the fact that such Notes issued and directly held by the Issuer have been issued for no consideration (the subscription price for those Notes will be deemed to be zero). So long as any Notes are held by the Issuer, any rights attached to such Notes (such as financial rights and voting rights) will be suspended.

(c) The Notes are not clearable through any clearing system and cannot (and will not) be admitted to trading and/or listed on any stock exchange, regulated or unregulated market.

(d) The Issuer will cause to be kept at the specified office of the Registrar and Transfer Agent a register of Noteholders of Notes (the **Register**). The Registrar and Transfer Agent will immediately inform the Issuer of any changes made to the Register.

(e) The Issuer undertakes to keep an up-to-date copy of the Register at its registered office at all times (the **Issuer Register**).

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

##### 1.3 Title

(a) Title to the Notes passes only by registration (inscription) in the Issuer Register.

(b) Ownership in respect of the Notes is established by the registration in the Issuer Register.

(c) Except as ordered by a court of competent jurisdiction or a public authority or as required by law, the Issuer may deem and treat the person registered in the Issuer Register as absolute owner of the Notes for all purposes (whether or not the Note is overdue) and no person will be liable for so treating the Noteholder.

(d) No transfer of a Note shall be recognised by the Issuer unless entered in the Register and the Issuer Register. In the case of discrepancies between the records of the Register and the Issuer Register, the latter shall prevail.

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## 2. TRANSFERS

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

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

## 3. CLOSED PERIODS

No Noteholder may require the transfer of a Note to be registered (i) after an event of default notice has been issued pursuant to Clause 8(b) or (ii) during the period of 15 days ending on the due date for any payment in respect of that Note.

## 4. STATUS

The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other, present and future, unsecured and unsubordinated obligations of the Issuer, unless such obligations are given priority under mandatory provisions of statutory law.

## 5. DISTRIBUTIONS

### 5.1 Distribution Rate and Distribution Payment Dates

The Notes shall bear distributions on the Principal Amount at the rate of 5.40 percent per annum (the **Rate of Distributions**) from and including 22<sup>nd</sup> of August 2016 (the **Distribution Commencement Date**) to and excluding the Maturity Date. Distributions shall be scheduled to be paid semi-annually in arrear on 15 September and 15 March in each year (each such date, a **Distribution Payment Date**), commencing on 15 September 2016. Distributions will fall due in accordance with the provisions set out in Clause 6.4.

### 5.2 Calculation of Amount of Distributions

The amount of distributions shall be calculated by applying the Rate of Distributions to the Principal Amount multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the Specified Currency, half of such sub-unit being rounded upwards or otherwise in accordance with the applicable market convention.

**Principal Amount** means the Specified Denomination.

**Day Count Fraction** means, in respect of the calculation of an amount of distributions on any Note for any period of time (the Calculation Period) the actual number of days in the Calculation Period divided by 365 (act/365).

### 5.3 Default Distributions

The Notes shall cease to bear distributions from the expiry of the calendar day preceding the due date for redemption (if the Notes are redeemed). If the Issuer fails to redeem the Notes when due, distributions shall

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continue to accrue on the Principal Amount of the Notes from and including the due date for redemption to but excluding the date of actual redemption of the Notes at the default rate of distributions established by law. This does not affect any additional rights that might be available to the Noteholders.

## 6. PAYMENTS

### 6.1 Payment of Principal and Distributions

Payment of principal and distributions on the Notes shall be made, subject to Clause 6.2 below, by credit or transfer to a in the Specified Currency denominated account of the relevant Noteholder the details of which are recorded in the Register at a given time.

### 6.2 Manner of Payment

Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

If the Issuer determines that it is impossible to make payments of amounts due on the Notes in freely negotiable and convertible funds on the relevant due date for reasons beyond its control or that the Specified Currency or any successor currency provided for by law (the **Successor Currency**) is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making such payments in Euro on the relevant due date on the basis of the Applicable Exchange Rate. Noteholders shall not be entitled to further interest or any additional amounts as a result of such payment. The **Applicable Exchange Rate** shall be (i) (if such exchange rate is available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) determined and published by the European Central Bank for the most recent calendar day falling within a reasonable period of time prior to the relevant due date, or (ii) (if such exchange rate is not available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) which the Fiscal Agent has calculated as the arithmetic mean of offered rates concerning the Specified Currency or the Successor Currency (if applicable) quoted to the Fiscal Agent by four leading banks operating in the international foreign exchange market for the most recent calendar day falling within a reasonable (as determined by the Fiscal Agent in its reasonable discretion) period of time prior to the relevant due date, or (iii) (if such exchange rate is not available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) as determined by the Fiscal Agent in its reasonable discretion.

### 6.3 Discharge

The Issuer shall be discharged by payment to the account of the relevant Noteholder which is recorded in the Register.

### 6.4 Payment Business Day

If the due date for any payment in respect of the Notes would otherwise fall on a calendar day which is not a Payment Business Day, Noteholder shall not be entitled to payment until the next Payment Business Day in the relevant place and shall not be entitled to further distributions or other payment in respect of such delay.

**Payment Business Day** means a calendar day (other than a Saturday or a Sunday) (i) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Business Day Financial Centre, and (ii) on which the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 or its successor (**TARGET**) is open for business.



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**Business Day Financial Centre** means any day when banks are open for business in Frankfurt, Germany and Luxembourg, Grand Duchy of Luxembourg.

## 6.5 References to Principal and Distributions

References in these Terms and Conditions to “principal” in respect of the Notes shall be deemed to include, as applicable: the Principal Amount, the Call Redemption Amount, the Early Redemption Amount, and any premium and any other amounts (other than distributions) which may be payable under or in respect of the Notes. References in these Terms and Conditions to “distributions” in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under Clause 10.1.

## 7. REDEMPTION

### 7.1 Maturity Date

Unless previously redeemed, or cancelled, the Notes will be redeemed at their Principal Amount together with distributions, if any, accrued to, but excluding, the date of redemption, on 30 June 2026 (the Maturity Date).

### 7.2 Early Redemption at the Option of a Noteholder

The Noteholders do not have a right to demand the redemption of the Notes.

### 7.3 Redemption at the Option of the Issuer

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem the Notes in whole, but not in part, on the Call Redemption Date(s) at the applicable Call Redemption Amount together with accrued distributions, if any, to, but excluding, the (relevant) Call Redemption Date.

**Call Redemption Date** means the Distribution Commencement Date and each anniversary date thereof.

(b) Notice of redemption shall be given by the Issuer to the Noteholders in accordance with Clause 12. Such notice shall be irrevocable and shall specify:

- (i) the series number of the Notes;
- (ii) the Call Redemption Date which shall be not less than 5 Payment Business Days after the calendar day on which notice is given by the Issuer to the Noteholders; and
- (iii) the Call Redemption Amount at which the Notes are to be redeemed.

**Call Redemption Amount** equals the Principal Amount.

### 7.4 Redemption for Reasons of Taxation

(a) If as a result of any change in, or amendment to, the laws or regulations of Malta or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the last tranche of the Notes was issued, the Issuer is required to pay Additional Amounts under Clause 10.1 on the next succeeding Distribution Payment Date, and if this obligation cannot be avoided by the use of reasonable measures available to the

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Issuer, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not less than 60 days' prior notice of redemption given to the Fiscal Agent and, in accordance with Clause 10 to the Noteholders, at their Principal Amount, together with distributions, if any, accrued to, but excluding, the date of redemption. However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts were a payment in respect of the Notes then to be due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

(b) Any such notice shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

## 8. EVENTS OF DEFAULT

(a) Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount, together with distributions, if any, accrued to, but excluding, the date of redemption, in the event that:

- (i) the Issuer fails to pay any amount due under the Notes within 30 days from the relevant due date; or
- (ii) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 30 days after the Fiscal Agent has received notice thereof from a Noteholder; or
- (iii) the Issuer suspends payment or announces its inability to pay its debts; or
- (iv) a court institutes insolvency proceedings against the Issuer, and such proceedings are not set aside or stayed within 60 days, or the Issuer or the competent supervisory authority, or resolution authority, respectively, applies for or institutes any such proceedings; or
- (v) the Issuer goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination with another company or in connection with a conversion and the other or new company assumes all obligations contracted by the Issuer in connection with the Notes.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(b) Any notice, including any notice declaring Notes due, in accordance with subparagraph (a) shall be made by means of a written declaration in the English language and sent to the specified office of the Fiscal Agent together with proof that such Noteholder at the time of such notice is a holder of the relevant Notes by means of a certificate of his Custodian or in other appropriate manner. The Notes shall be redeemed following receipt of the notice declaring Notes due.

**Early Redemption Amount** means the Principal Amount.

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## 9. REGISTRAR AND TRANSFER AGENT, DISTRIBUTION AGENT

### 9.1 Appointment; Specified Offices

The initial Registrar and Transfer Agent, and the Distribution Agents and their respective initial specified offices are:

**Registrar and Transfer Agent:**

Alter Domus (Services) Malta Limited  
Vision Exchange Building Territorials Street  
Mriehel BKR 3000  
Malta

**Distribution Agents:**

Timberland Invest Ltd.  
171, Old Bakery Street  
Valletta VLT 1455  
Malta

Timberland Capital Management GmbH  
Huettentallee 137  
47800 Krefeld  
Germany

The Registrar and Transfer Agent, and the Distribution Agents reserve the right at any time to change their respective specified office to some other specified office in the same city. Each of the Registrar and Transfer Agent, and the Distribution Agents may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

### 9.2 Variation or Termination of Appointment

The Issuer reserves the right at any time, without the prior approval of the Noteholders, to vary or terminate the appointment of each of the Registrar and Transfer Agent, and the Distribution Agents, provided that the Issuer will at all times maintain a Registrar and Transfer Agent, and a Distribution Agent having a specified office in the European Union. Notice of any such change will promptly be given to the Noteholders in accordance with Clause 12.

### 9.3 Agents of the Issuer

Each of the Registrar and Transfer Agent, and the Distribution Agents acts solely as agents of the Issuer and does not have any obligations towards or relationship of agency or trust to any Noteholder.

## 10. TAXATION

### 10.1 Withholding Taxes and Additional Amounts

All amounts payable in respect of the Notes shall be made without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed or levied by way of deduction or withholding by or on behalf of Malta or any political subdivision or any authority thereof or therein having power to tax (Withholding Taxes) unless such deduction or withholding is required by law. In such event, the Issuer shall, to the fullest extent permitted by law, pay such additional amounts of principal and interest (the **Additional Amounts**) as

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shall be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes, duties or governmental charges which:

(a) are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(b) are payable by reason of the Noteholder having, or having had, some personal or business connection with Malta and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Malta; or

(c) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which Malta or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or

(d) are payable by reason of a change in law or practice that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for and notice thereof is published in accordance with Clause 12, whichever occurs later.

**Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Noteholder in accordance with Clause 6.1 on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to the Noteholders by the Issuer in accordance with Clause 12.

## 10.2 U.S. Foreign Account Tax Compliance Act (FATCA)

Moreover, all amounts payable in respect of the Notes shall be made subject to compliance with Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the **Code**), any regulations or agreements thereunder, including any agreement pursuant to Section 1471(b) of the Code, and official interpretations thereof (**FATCA**) and any law implementing an intergovernmental approach to FATCA. The Issuer will have no obligation to pay additional amounts or otherwise indemnify a Noteholder in connection with any such compliance.

## 10.3 Transfer of Issuer's domicile

In case of a transfer of the Issuer's domicile to another country, territory or jurisdiction, the preceding provisions shall apply with the understanding that any reference to the Issuer's domicile shall from then on be deemed to refer to such other country, territory or jurisdiction.

# 11. FURTHER ISSUES OF NOTES, PURCHASES AND CANCELLATION

## 11.1 Further Issues of Notes

The Issuer may from time to time, without the consent of the Noteholders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the issue date, issue price, Distribution Commencement Date and/or first Distribution Payment Date) so as to form a single series with the Notes.

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## 11.2 Purchases

Issuer may at any time purchase Notes in the open market or otherwise at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. No purchase shall be possible unless all applicable regulatory and other statutory restrictions are observed.

## 11.3 Cancellation

All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## 12. NOTICES

### 12.1 Notices of the Issuer

All notices of the Issuer concerning the Notes shall be published in the Times of Malta or any successor newspaper which the Issuer publishes in the Times of Malta and in electronic form on the website of the Issuer ([www.timberland-malta.com](http://www.timberland-malta.com)). Any notice so given will be deemed to have been validly given on the fifth calendar day following the date of such publication (or, if published more than once, on the fifth calendar day following the date of the first such publication) unless the notice provides for a later effective date.

### 12.2 Form of Notice to be given by any Noteholder

Notices regarding the Notes which are to be given by any Noteholder to the Issuer shall be validly given if delivered in writing in English language to the Issuer or the Fiscal Agent (for onward delivery to the Issuer) by hand or mail.

## 13. MEETINGS OF NOTEHOLDERS

Articles 86 - 94-8 of the Companies Act 1915 are not applicable to the Notes.

The base prospectus in respect of the Notes contains detailed provisions for convening (i) meetings of the Noteholders and (ii) joint meetings of holders of more than one series of notes issued by the Issuer (including, where applicable, the Notes).

## 14. APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

### 14.1 Governing Law

The Notes, as to form and content, and all rights and obligations of the Noteholders and the Issuer, shall be governed by, and shall be construed exclusively in accordance with, Luxembourg law except for the provisions of paragraph 4 (*Ranking*) and paragraph 13 (*Meetings of Noteholders*) which shall be subject to the laws of Malta.

### 14.2 Place of Jurisdiction

The courts of Luxembourg shall have non-exclusive jurisdiction for any action or other legal proceedings (the **Proceedings**) arising out of or in connection with the Notes. The courts of Malta shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with paragraph 4 (*Ranking*) and paragraph 13 (*Meetings of Noteholders*).

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### 14.3 Enforcement

Any Noteholder may in any Proceedings against the Issuer, or to which such Noteholder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes (a) stating the full name and address of the Noteholder, and (b) specifying the aggregate principal amount of the Notes. Each Noteholder may, without prejudice to the foregoing, protect and enforce its rights under the Notes also in any other way which is admitted in the country of the Proceedings.

## 15. DEFINITIONS

For the purposes of the Notes, the following expressions shall have the following meanings:

**Additional Amounts** has the meaning assigned to it in Clause 10.1.

**Applicable Exchange Rate** has the meaning assigned to it in Clause 6.2.

**Business Day Financial Centre** has the meaning assigned to it in Clause 6.4.

**Calculation Period** has the meaning assigned to it in Clause 5.2.

**Call Redemption Amount** has the meaning assigned to it in Clause 7.3(c).

**Call Redemption Date** has the meaning assigned to it in Clause 7.3(a).

**Code** has the meaning assigned to it in Clause 10.2.

**Day Count Fraction** has the meaning assigned to it in Clause 5.2.

**Distribution Commencement Date** has the meaning assigned to it in Clause 5.1.

**Distribution Payment Date** has the meaning assigned to it in Clause 5.1.

**Early Redemption Amount** has the meaning assigned to it in Clause 8(b).

**FATCA** has the meaning assigned to it in Clause 10.2.

**Issuer** has the meaning assigned to it in Clause 1.1.

**Issuer Register** has the meaning assigned to it in Clause 1.2(e).

**Maturity Date** has the meaning assigned to it in Clause 7.1.

**Notes** has the meaning assigned to it in Clause 1.1.

**Payment Business Day** has the meaning assigned to it in Clause 6.4.

**Principal Amount** has the meaning assigned to it in Clause 5.2.

**Proceedings** has the meaning assigned to it in Clause 14.2.

**Rate of Distributions** has the meaning assigned to it in Clause 5.1.

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**Register** has the meaning assigned to it in Clause 1.2(d).

**Relevant Date** has the meaning assigned to it in Clause 10.1.

**Specified Currency** has the meaning assigned to it in Clause 1.1.

**Specified Denomination** has the meaning assigned to it in Clause 1.1.

**Successor Currency** has the meaning assigned to it in Clause 6.2.

**Tranche** has the meaning assigned to it in Clause 1.1.

**Withholding Taxes** has the meaning assigned to it in Clause 10.1.





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## PART III – NOTEHOLDER MEETING PROVISIONS

### 1. DEFINITIONS

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

**24 hours** means a period of 24 hours including all or part of a day on which banks are open for business both in the place where the meeting is to be held and in the place where the Registrar and Transfer Agent has its specified office (disregarding for this purpose the day on which the meeting is to be held); and

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

References in this section to the Notes are to the series of registered Notes in respect of which the meeting is, or is proposed to be, convened and references to the Noteholders shall be construed accordingly.

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

### 2. EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

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

- (a) a holder of a Registered Note; and
- (b) a proxy appointed by a holder of a Registered Note.

#### 2.2 Registered Notes - appointment of proxy

(a) A holder of Notes may, by an instrument in writing in the English language (a form of proxy) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar and Transfer Agent not less than 48 hours before the time fixed for the relevant meeting, appoint any person (a proxy) to act on his or its behalf in connection with any meeting.

(b) Any proxy appointed pursuant to subclause (a) above shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant meeting, to be the holder of the Notes to which such appointment relates and the holders of the Notes shall be deemed for such purposes not to be the holder.

(c) Each form of proxy shall be deposited by the Registrar and Transfer Agent with the Issuer at its registered office not less than 24 hours before the time appointed for holding the meeting at which the proxy or proxies named in the form of proxy proposes to vote, and in default form of proxy shall not be treated as valid unless the chairman of the meeting decides otherwise before such meeting proceeds to business. A copy of each form of proxy shall be deposited with the Issuer before the commencement of the meeting but the Issuer shall not thereby be obliged to investigate or be concerned with the validity of or the authority of the proxy or proxies named in any such form of proxy.

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

### 3. CONVENING OF MEETINGS, QUORUM, ADJOURNED MEETINGS

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

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## 4. CONDUCT OF BUSINESS AT MEETINGS

- 4.1 Every question submitted to a meeting shall be decided by a poll. In the case of an equality of votes for any resolution which does not require any particular quorum, the resolution shall be deemed to be rejected.
- 4.2 The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
- 4.3 Any poll on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.
- 4.4 Any director or officer of the Issuer and its lawyers and financial advisers may attend and speak at any meeting. Subject to this, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Noteholders or join with others in requiring the convening of a meeting unless he is an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes held by, for the benefit of, or on behalf of the Issuer. Nothing contained in this subclause shall prevent any of the proxies named in any form of proxy from being a director, officer or representative of or otherwise connected with the Issuer.
- 4.5 Subject as provided in subclause 4.4 above, at any meeting, every Eligible Person present shall have one vote in respect of one Note. Any person entitled to cast more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.
- 4.6 A meeting of the Noteholders shall have powers specified in the terms and conditions of the relevant Notes. All powers shall be exercisable by a meeting of the Noteholders by a resolution adopted by a simple majority of the votes cast (subject to the provisions relating to quorum contained in subclauses 3.4 and 3.6). Notwithstanding any provision to the contrary in this section or the terms and conditions of the Notes, no modification may be made to the terms and conditions of the Notes without the prior written consent of entities acting as account banks in connection with the Notes.
- 4.7 Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with these provisions shall be binding upon all the Noteholders whether present or not present at the meeting and whether or not voting and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Noteholders shall be published in accordance with the terms and conditions of the Notes by the Issuer within 14 days of the result being known provided that non-publication shall not invalidate the resolution.
- 4.8 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the chairman of the meeting at which any resolution was passed or proceedings had shall be conclusive evidence of the matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had at the meeting to have been duly passed or had.

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

- a resolution which affects the Notes of only one series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that series;

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

## ISSUE SPECIFIC SUMMARY

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

### SECTION A – INTRODUCTION AND WARNINGS

Element	Title	
A.1	Warnings that the summary should be read as an introduction and provision as to claims	<p>This summary should be read as an introduction to this Prospectus.</p> <p>Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	Consent as to use of the Base Prospectus, period of validity and other attached conditions	<p>Timberland Invest Ltd. and Timberland Capital Management GmbH (the <b>Distribution Agents</b>) have been authorised by the Issuer to use the Prospectus for any final placement of the Notes during the Offer Period (as defined in Element E.3 below). Information on the terms and conditions of the offer of Notes is to be provided at the time of the offer by the Distribution Agents.</p>

### SECTION B – ISSUER

Element	Title	
B.1	Legal and commercial name of the Issuer	<p>The legal and commercial name of the issuer is Timberland Securities Investment plc (the <b>Issuer</b>).</p>
B.2	Domicile/ legal form/ legislation/ country of incorporation	<p>The Issuer is a public limited liability company incorporated and registered under the laws of Malta and domiciled in Malta. The head office of the Issuer is at the Aragon House, St. George’s Park, St. Julian’s STJ 3140, Malta. The registered address is 171, Old Bakery Street, Valletta VLT 1455, Malta.</p>

## SECTION B – ISSUER

Element	Title															
B.4b	Known trends affecting the issuer and the industries in which it operates	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.														
B.5	Description of the group and the Issuer's position within the group	The Issuer is a subsidiary of Timberland Holding II Ltd, Malta, incorporated under the laws of Malta. The Issuer does not have any subsidiaries.														
B.9	Profit forecast or estimate	Not applicable. The Issuer does not generate any profit forecast or estimate.														
B.10	Nature of any qualifications in the audit report on historical financial information	The Issuer's annual accounts for the financial period till 31 December 2015 as incorporated by reference have been audited by Ernst & Young Malta Limited, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta. The audit reports dated 11 April 2016 on the said historical financial information do not contain any qualifications.														
B.12	Selected historical key financial information	<p>The annual accounts for the financial period from 30 January 2015 to 31 December 2015:</p> <table border="1"> <thead> <tr> <th></th> <th>2015 (€)</th> </tr> </thead> <tbody> <tr> <td>Non-Current assets</td> <td>756</td> </tr> <tr> <td>Current assets</td> <td>71,457</td> </tr> <tr> <td>Total Assets</td> <td>72,213</td> </tr> <tr> <td>Shareholder's Equity</td> <td>12,689</td> </tr> <tr> <td>Total Liabilities</td> <td>59,524</td> </tr> <tr> <td>Total Equity and Liabilities</td> <td>72,213</td> </tr> </tbody> </table>		2015 (€)	Non-Current assets	756	Current assets	71,457	Total Assets	72,213	Shareholder's Equity	12,689	Total Liabilities	59,524	Total Equity and Liabilities	72,213
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Total Equity and Liabilities	72,213															
B.13	Events impacting the Issuer's solvency	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.														
B.14	Statement of dependency upon other entities within the group	Please see Element B.5 above.														
B.15	Principal activities	The principal activity of the Issuer comprises acting as arranger in respect of the issuance of limited recourse notes by Timberland Securities SPC (24 series of notes in the total nominal amount of each up to EUR 500,000,000 and in total up to EUR 12,000,000,000), Timberland Securities II SPC, Timberland Securities plc (20 series of notes in the total nominal amount of each EUR 5,000,000 and in total EUR 100,000,000), Timberland Securities S.A. and Timberland Investment S.A.														
B.16	Controlling shareholders	The controlling shareholder of the Issuer is Timberland Holding II Limited (C 68800), having its registered address at 171, Old Bakery street, Valletta, VLT 1455, Malta, which holds 99.9 percent of the issued share capital of the Issuer.														

Element	Title	
B.17	Ratings	Neither the Issuer nor the Notes have been rated.

## SECTION C – SECURITIES

Element	Title	
C.1	Description of Notes/ISIN	<p>The series 8 fixed rate registered notes are unsecured and unsubordinated obligations of the Issuer.</p> <p>The Notes are initially represented by a temporary global note without coupons which will be exchangeable for a permanent global note without coupons.</p> <p>No ISIN will be allocated to the Notes.</p>
C.2	Currency	The Notes are issued in Euro ( <b>EUR</b> ) (the <b>Specified Currency</b> ).
C.5	Restrictions on transferability	No Noteholder may require the transfer of a Note to be registered (i) after an event of default notice has been issued under the terms and conditions of this Prospectus, or (ii) during the period of 15 days ending on the due date for any payment in respect of that Note.
C.8	Rights attached to the Notes, including ranking and limitations on those rights	<p><b>Rights</b></p> <p>Unless previously redeemed, or cancelled, the Notes will be redeemed at their Principal Amount (as defined in Element C.9 below) together with distributions, if any, accrued to, but excluding, the date of redemption, on 30 June 2026 (the <b>Maturity Date</b>).</p> <p>The Notes are providing for events of default entitling the Noteholders to demand immediate redemption of the Notes at the Early Redemption Amount.</p> <p><b>Early Redemption Amount</b> means the Principal Amount.</p> <p><b>Ranking</b></p> <p>Notes constitute obligations of the Issuer ranking pari passu without any preference among themselves and pari passu with all other, present and future, unsecured and unsubordinated obligations of the Issuer, unless such obligations are given priority under mandatory provisions of statutory law.</p>

Element	Title	
C.9	Interest / Redemption / Yield / Holders' Representative	<p>Please read the following information together with Element C.8.</p> <p><b>Interest</b></p> <p>The Notes bear distributions on the Principal Amount at a fixed rate of 5.40 percent per annum.</p> <p><b>Maturity and Redemption</b></p> <p>The Notes will be redeemed at their Principal Amount together with distributions, if any, accrued to, but excluding, the date of redemption, on the Maturity Date (as defined in Element C.8 above) unless the Notes are early redeemed at the option of the Issuer on a Call Redemption Date at the relevant Call Redemption Amount.</p> <p><b>Call Redemption Amount</b> means an amount equal to the Principal Amount.</p> <p><b>Call Redemption Date</b> means Distribution Commencement Date (i.e. 22<sup>nd</sup> of August 2016).</p> <p><b>Principal Amount</b> means the Specified Denomination.</p> <p><b>Specified Denomination</b> means EUR 1,000.</p> <p><b>Indication of Yield</b></p> <p>5.40 percent per annum</p> <p><b>Noteholders' Representative</b></p> <p>Not applicable.</p>
C.10	Derivative component in the interest payment	<p>Please read the following information together with Element C.9.</p> <p>Not applicable. The interest payments on the Notes do not have a derivative component.</p>
C.11	An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question	<p>Not applicable. It is not intended to apply for admission of the Notes to trading on a regulated market.</p>



## SECTION D – RISKS

Element	Title	
D.2	Key risks regarding the Issuer	<p>The Issuer has a limited operating history that can be evaluated as a basis for the Issuer’s potential performance.</p> <p>The operations of the Issuer are dependent on the abilities of the members of its Board of Directors.</p> <p>Business activities of the Issuer as arranger in respect of the issuance of notes by Timberland Securities SPC, Timberland Securities II SPC, Timberland Securities plc, Timberland Securities S.A., Timberland Investment S.A. and/or any other securitisation vehicle in respect of which the Issuer may act as arranger in the future may impact the ability of the Issuer to service interest on the Notes and to repay principal on the maturity or any other payment date.</p> <p>The Issuer may apply part of the proceeds received from the sale of the Notes to invest in financial instruments, which will be subject to normal market fluctuations and the risks inherent in all investments, including the risk that the Issuer may not realise all or part of the capital invested. This may impact the ability of the Issuer to service interest on the Notes and to repay principal on the maturity or any other payment date.</p> <p>In the event that the Issuer were determined to be subject to CRD IV and CRR, and would hence be subject to the regulatory requirements under CRD IV and CRR, this could have a negative impact on the Issuer’s business, operational results, financial condition or prospects. In the event that the Issuer were deemed to fall within the remit of the BRRD, regulatory action in the case of the Issuer’s failure could adversely affect the value of the Notes. The principal amount of the contingent capital Notes, including accrued but unpaid interest, may be written off, converted into common equity Tier 1 capital or otherwise applied to absorb losses. Furthermore, there is a risk that the Issuer may not be able to meet minimum requirements for own funds and eligible liabilities which could materially adversely affect the Issuer’s ability to service interest on the Notes and to repay principal on the maturity or any other payment date.</p> <p>In the event that the Commission Securitisation initiative adopted on 30 September 2015 were to enter into force, this may impact the marketability of the securitized debt instruments in respect of which the Issuer acts as arranger. This could negatively impact the revenue streams of the Issuer and its business and financial prospects.</p> <p>The Noteholders assume the credit risk of the Issuer. In the case of insolvency of the Issuer, the Noteholders may lose part or all of their claims to repayment of their invested capital.</p>

Element	Title
	<p>The Issuer's overall performance and results may also be adversely affected by external factors beyond the Issuer's control, which include, amongst others, changes in economic and market conditions.</p> <p>In the event that investors' demand for the Notes does not reach the levels anticipated by the Issuer, the Issuer may be adversely affected. If one or more compan(y)(ies) which may form part of the same group of the Issuer have difficulty in securing adequate sources of liquidity this may have a material adverse effect on the business, financial condition and results of operations of the Issuer.</p> <p>Any downgrade of the credit rating which may, in the future, be assigned to: (a) the Issuer and/or any company which may form part of its group, and/or (b) Malta or any other country in which Issuer has or may in the future have significant operations, could have a material adverse effect on the liquidity and competitive position of the Issuer, undermine confidence therein, increase its borrowing costs, limit its access to funding and capital markets and/or limit the range of counterparties willing to enter into transactions with the Issuer and may, as a consequence, have a material adverse effect on the Issuer's business, financial condition and results of operations.</p> <p>New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could potentially subject the Issuer to increased capital requirements or standards and require it to obtain additional capital or liquidity in the future. In the event that any one or more of the foregoing matters were to apply to the Issuer and/or to any member which may form part of its group, this could have a negative impact on the business of the Issuer, the products and services it offers as well as the value of its assets, and may require the Issuer to change the manner in which it conducts its business.</p> <p>The future development of the Issuer's assets, financial and profit position, inter alia, depends on the tax framework applicable to it. Every future change in legislation, relevant decision of the Courts and/or the tax authorities' administrative practice may have a negative impact on the Issuer's business.</p> <p>In the event that the Issuer's risk management systems fail to identify, anticipate or correctly evaluate risks to which the Issuer may be exposed, the Issuer may experience material unanticipated losses, which could have an adverse effect on its business, financial condition and operational results.</p> <p>The Issuer is exposed to operational risk, which is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including in particular legal, regulatory and compliance risk. The Issuer is also susceptible to, among other things, operational errors, clerical or</p>

Element	Title
	<p>record-keeping errors and errors resulting from faulty computer or telecommunications systems. Any inadequacy of the Issuer’s internal processes or systems in detecting or containing such risks as aforesaid could have a material adverse effect on Issuer’s business, financial condition, operation results and prospects.</p> <p>If the Issuer is unable to attract and retain new talent in key strategic markets or if competition for qualified employees increases its labour costs, this could have a negative impact on the Issuer.</p> <p>The Issuer’s results may, in the future, depend (in part) on the profitability of one or more of its future subsidiaries. In the event that such subsidiaries (if any) do not generate profits, this could have a material adverse effect on the Issuer’s results of operations in that period, and on the Issuer’s ability to make payments on the Notes.</p> <p>The Issuer faces competition in all aspects of its business and competes with a number of large international financial institutions and other local competitors in the markets in which it operates including Malta, the Cayman Islands and Luxembourg. If the Issuer is unable to respond to the competitive pressures in these markets, it may suffer a reduction in its market share in important sectors of its business or incur losses, and its financial condition and operational results may be adversely affected.</p> <p>Monitoring compliance with the rules and regulations regarding money laundering, sanctions, corruption and the financing of terrorism (hereinafter the <b>AML Rules</b>) can pose technical problems and can also impose a significant financial burden on the Issuer. Any violation of AML Rules, or even alleged violations, may have severe legal, monetary and reputational consequences and could have a material adverse effect on the Issuer’s business, financial condition and results of operations.</p> <p>Changes in consumer protection laws or the interpretation of consumer protection laws by courts or governmental authorities could limit the fees that the Issuer may charge for certain of its services and thereby result in lower commission income being received by the Issuer. Moreover, any changes in consumer protection laws or the interpretation of such laws by courts or governmental authorities could impair the Issuer’s ability to offer certain products and services or to enforce certain clauses in contracts with client. This may reduce the Issuer’s net income and have an adverse effect on its results of operations.</p> <p>The Issuer may in the future seek to make acquisitions to support its business objectives and complement the development of its business in existing and new geographic markets. Such strategic transactions would, if pursued, demand significant management attention and will require the Issuer to divert financial and other resources that would</p>

Element	Title	
D.3	Key risks regarding the Notes	<p>otherwise be available for its existing business, which could lead to unexpected losses for the Issuer which may have a material adverse effect on the Issuer's business, financial condition and results of operations.</p> <p>The UK's potential exit from the EU as a result of referendum in the UK which has been held in June 2016 or any future referendum could limit market access for the Issuer for the sale of financial products therein.</p> <p>The Notes are complex financial instruments and may not be a suitable investment for certain investors.</p> <p>The Notes have features which may contain particular risks for potential investors, in particular they (i) may, under certain circumstances, be redeemed early by the Issuer, and (ii) provide for payments of certain fees and expenses before any payments to the Noteholders. There can be no guarantee that the Noteholders may be able to re-invest the proceeds of such redemption at equivalent or higher rates of return. Furthermore, in the event that the Issuer were to be deemed to fall within the remit of the CRR, any redemption before the maturity date would be subject to the prior permission of the competent authority pursuant to Article 78(1) of the CRR. It is uncertain how the competent authority will apply these criteria in practice and such rules and standards may change during the maturity of the Notes.</p> <p>There can be no assurance that an active secondary market for the Notes will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that Noteholders will be able to sell the Notes at or above the subscription price or at all.</p> <p>No prediction can be made about the effect which future public offers of the Issuer's securities or any takeover or merger activity involving the Issuer, if any, would have on the market price of the Notes prevailing from time to time.</p> <p>The contingent capital Notes constitute direct, unsecured and subordinated obligations of the Issuer. Subordination means that the rights and claims of the Noteholders in respect of the payment of capital and interest on the Notes will, in the event of dissolution and winding-up of the Issuer, rank after the claims of all senior indebtedness and will not be repaid until all other senior indebtedness outstanding at the time has been settled. Accordingly, there is a substantial risk that investors who/which invest in the Notes will lose all or some of their investment should the Issuer become insolvent, or, if following a write-down, the Issuer has insufficient profit to write up the Notes.</p> <p>Under the terms and conditions of the contingent capital Notes, if the Issuer incurs an annual balance sheet loss this would trigger a write-down of the nominal amount of the Notes. Noteholders may lose all or some of their investment as a result of a write-down, unless, following such write-down, the Notes are subsequently written up.</p>

Element	Title	
		<p>The value of investments can rise or fall, and past performance is not necessarily indicative of future performance.</p> <p>Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.</p> <p>A Noteholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Notes and the Noteholder's currency of reference, if different.</p> <p>In the event that the Issuer wishes to amend any of the provisions of and/or conditions contained in this Base Prospectus, including the Terms and Conditions of the Notes, it shall call a meeting of Noteholders for approval. Defined majorities of Noteholders may bind all Noteholders including those that did not attend and vote at the relevant meeting and Noteholders who attended and voted in a manner contrary to the majority.</p> <p>Noteholders should be aware that they may not be able to sell their Notes if trading in the Notes is suspended, interrupted or terminated and should also note that during periods of suspension or interruption of trading, stock exchange quotations may not adequately reflect the price of the Notes.</p> <p>Any rating which may, in the future, be assigned to the Notes, may not adequately reflect all risks of the investment in such Notes. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.</p>

## SECTION E – OFFER

Element	Title	
E.2b	Reasons for the offer and use of proceeds	The net proceeds from each Tranche of the Notes will be used for general corporate purposes of the Issuer.
E.3	Terms and conditions of the offer	<p><b>(a) Offer Period:</b></p> <p>The offer period started on 07 July 2016 and will finish on 03 July 2017 (the <b>Offer Period</b>). Thereafter, the Notes will be continuously offered, subject to the Issuer's discretion to end the offering.</p> <p>The Issuer reserves the right for any reason to close the Offer Period early. The Issuer will also regularly inform the Noteholders during the Offer Period by publishing the relevant information on the website of the Issuer on <a href="http://www.timberland-malta.com">www.timberland-malta.com</a>.</p>

Element	Title
	<p><b>(b) Price during the Offer Period:</b></p> <p>During the Offer Period, the Issuer will offer and sell the Notes at the subscription price (the <b>Subscription Price</b>). The Subscription Price in respect of the Notes will be published on each Business Day on the Issuer’s website <a href="http://www.timberland-malta.com">www.timberland-malta.com</a>.</p> <p><b>(c) Conditions of the offer:</b></p> <p>The Issuer reserves the right to withdraw the offer of the Notes for any reason at any time prior to the end of the Offer Period.</p> <p><b>(d) The time period during which the offer of the Notes will be open and description of the application process:</b></p> <p>The offer of the Notes will be open during the Offer Period. Applications for the purchase of Notes can be made to the Issuer with a copy to the Distribution Agents at their address at Aragon House, St. George’s Park, St. Julian’s STJ 3140, Malta and Huettenallee 137, 47800 Krefeld, Germany.</p> <p><b>(e) Details of the minimum and/or maximum amount of application:</b></p> <p>There is no minimum allocation of Notes per investor. The maximum allocation of Notes will be subject only to availability at the time of the application.</p> <p><b>(f) Details of the method for paying up and delivering the Notes:</b></p> <p>The Notes will be sold against payment of the Subscription Price to the Issuer or to any agent designated by the Issuer for the purpose of receiving payments in any other currencies than Euro. Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor’s application.</p> <p><b>(g) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</b></p> <p>Not applicable.</p> <p><b>(h) Manner and date in which results of the offer are to be made public:</b></p> <p>The offer volume is up to 20,000 Notes with an initial nominal value of EUR 1,000 each in respect of the Notes issued on 22 August 2016.</p> <p><b>(i) Description of the offer of the Notes:</b></p>

Element	Title	
		<p>Public offer may be made in Republic of Austria, the Federal Republic of Germany, the Republic of Ireland, the Principality of Liechtenstein, the Grand Duchy of Luxembourg, the Republic of Malta and the United Kingdom of Great Britain and Northern Ireland (collectively, the <b>Public Offer Jurisdictions</b>) to any person during the Offer Period. In other EEA countries offers during the Offer Period may only be made pursuant to an exemption from the obligation under the Directive 2003/71/EC, as implemented in such countries, to publish a prospectus.</p> <p>The offers to be made in each Public Offer Jurisdiction will be made exclusively by the Distribution Agents and the agents appointed by the Distribution Agents for this purpose. Such offers will be made through different communication channels including public announcements, advertisements, mailing of quarterly reports or newsletters to existing or future investors, marketing activities in connection with coordinated advertising brochures and other printed matter.</p>
E.4	Interest of natural and legal persons involved in the issue/offer	Other than as mentioned in the relevant Elements above and so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.
E.7	Expenses charged to the investor by the Issuer or an offeror	No expenses will be charged to investors by the Issuer or an offeror on top of the Subscription Price.

Element	Title
	<p>The offer of the Notes will be open during the Offer Period. Applications for the purchase of Notes can be made to the Issuer with a copy to the Distribution Agents at their address at Aragon House, St. George's Park, St. Julian's STJ 3140, Malta and Huettenallee 137, 47800 Krefeld, Germany.</p> <p>(e) Details of the minimum and/or maximum amount of application:</p> <p>There is no minimum allocation of Notes per investor. The maximum allocation of Notes will be subject only to availability at the time of the application.</p> <p>(f) Details of the method for paying up and delivering the Notes:</p> <p>The Notes will be sold against payment of the Subscription Price to the Issuer or to any agent designated by the Issuer for the purpose of receiving payments in any other currencies than Euro. Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor's application.</p> <p>(g) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</p> <p>Not applicable.</p> <p>(h) Manner and date in which results of the offer are to be made public:</p> <p>The offer volume is up to 20,000 Notes with an initial nominal value of EUR 1,000 each in respect of the Notes issued on 11<sup>th</sup> of July 2016.</p> <p>(i) Description of the offer of the Notes:</p> <p>Public offer may be made in Republic of Austria, the Federal Republic of Germany, the Republic of Ireland, the Principality of Liechtenstein, the Grand Duchy of Luxembourg, the Republic of Malta, and the United Kingdom of Great Britain and Northern Ireland (collectively, the <b>Public Offer Jurisdictions</b>) to any person during the Offer Period. In other EEA countries offers during the Offer Period may only be made pursuant to an exemption from the obligation under the Directive 2003/71/EC, as implemented in such countries, to publish a prospectus.</p> <p>The offers to be made in each Public Offer Jurisdiction will be made exclusively by the Distribution Agents and the agents appointed by the Distribution Agents for this purpose. Such offers will be made through different communication channels including public announcements, advertisements, mailing of quarterly reports or newsletters to existing or future investors, marketing activities in connection with coordinated advertising brochures and other printed matter.</p>



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